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ABSTRACT

The guide examines the role and responsibilities of college and university governing board members in institutional fund-raising activities. Results of a national survey of members of the Association of Governing Boards of Universities and Colleges concerning fund-raising policies and practices are highlighted throughout the text. The first six chapters address basic issues: history of college fund-raising; the development process (overall program, source of funds, competition for funds, external environment); institutional organization for fund-raising (shaping the board; mission, long-range planning, and needs; the institution's unique characteristics; the public relations program; professional staff); the board's planning role (authorizing and approving the program, determining needs, front-end funding, case statement, budgeting, approving goals and schedule, organizing the board); trustee giving and donor cultivation; and assessing program success. Chapters 7-12 address more specific topics: "The Three-Party Relationship" (William A. Kinnison and Michael J. Ferrin) on the roles of president, board, and development staff; "The Institutionally Related Foundation in Public Colleges and Universities" (Michael J. Worth); "Why Major Donors Give" (Kent Dove); "Fund-Raising and the Community College" (Mary Wallace Wheat); and "The Trustee's Role in Public Relations" (James W. McLamore). Survey data for both public and private institutions are appended. (MSE)

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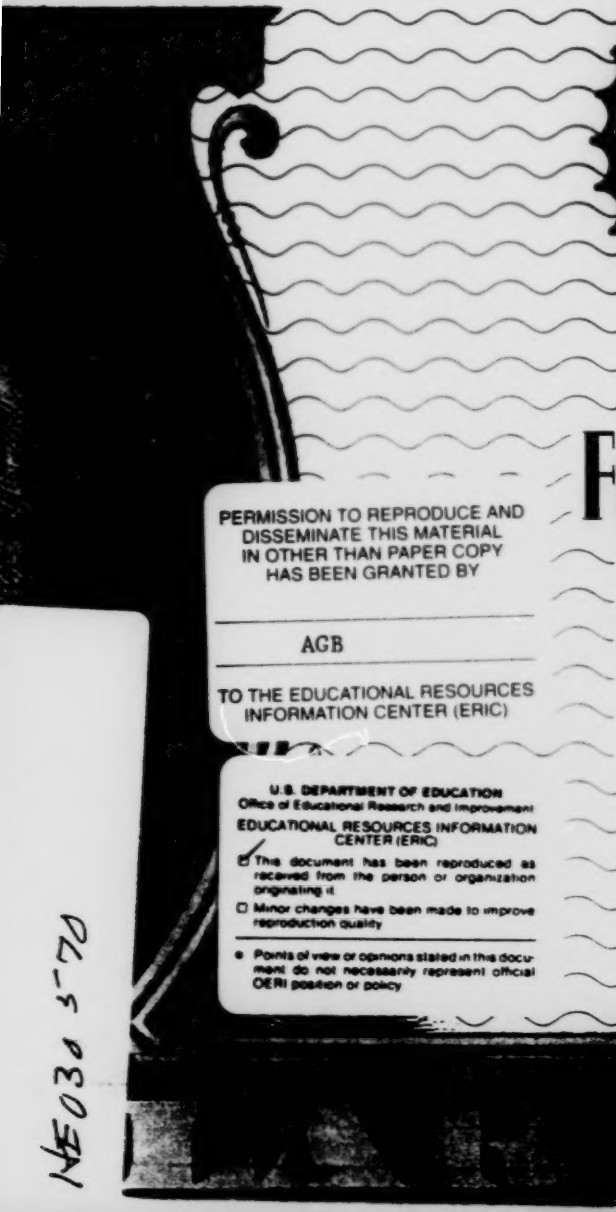

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By J. W. Pocock

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Foreword

BECAUSE HIGHER EDUCATION INSTITUTIONS TODAY ARE LOCKED IN COMPETITION to attract students and financial resources, the need for governing boards and their individual members to participate directly and actively in fund-raising is unassailable. Governing boards, development committees, and boards of foundations affiliated with public institutions must be effectively organized to discharge this essential role.

The sophistication of fund-raising programs within all types of institutions—four-year independent, large public institutions, and now to a growing extent two-year and other public institutions—makes this book most timely.

In the following pages, J.W. Pocock explores the role of board members in carrying out the challenges associated with their fund-raising responsibilities. Planning, budgeting for fund-raising, staffing development offices, being fully aware and informed about institutional issues, and other elements of fund-raising leadership are some of the issues Pocock addresses in Part One of the book.

The five chapters that comprise Part Two cover such important issues as the board-staff relationship in development, the role of the foundation board, fund-raising in community colleges, the board's participation in public relations and its impact on the institution's fund-raising program, and why major donors give. They combine to present board members and professionals with a comprehensive statement on the board's need to participate in this essential requirement for institutional success.

Because board members are often not made fully aware of their specific responsibilities in the institution's fund-raising program prior to joining the board, *Fund-Raising Leadership* calls for and discusses effective trustee orientation. Board member giving, as well as prospect cultivation and solicitation, is a major aspect of their responsibilities and, likewise, is given considerable attention. Also, the board's role in planning and implementing a successful capital campaign is addressed.

To help governing board members discharge their responsibilities in the fund-raising activities of their institution, the Association of Governing Boards of Uni-

versities and Colleges conducted a two-year program designed to strengthen boards' effectiveness in fund-raising. Highlighted by a national survey on institutional fund-raising, the results of which are highlighted throughout this book, AGB set out to help board members better understand and be more comfortable with this essential responsibility.

The survey was sent to each AGB-member board; some 1,100 boards of public and private institutions were involved in the survey, with a response of more than 45 percent. The data, which never before have been compiled, are presented in appendices A and B.

As a result of the project, AGB developed a self-study survey designed to assist governing and foundation boards as well as development committees conduct a self-assessment of their fund-raising performance. In addition, a videotape designed to strengthen board effectiveness in fund-raising also was produced and is available through AGB.

I wish to acknowledge the efforts of those on the AGB staff who participated in various elements of the project. Most notable are Richard D. Legon, vice president for membership and development, who directed the two-year project; Barbara E. Taylor, director of programs and research, for her leadership in the project survey; and Vice President for Publications Daniel J. Levin and Associate Editor Jana Dozier, who prepared the manuscript for publication.

Of course, this book would not have been possible were it not for the efforts of AGB's good friend and former board member, John W. (Bill) Pocock. Bill, a member of the board of The College of Wooster in Ohio and for 17 years its chair, brings his breadth of experience in fund-raising and all matters of board responsibility to this endeavor. We are most grateful for his involvement in the work of this organization.

We also appreciate the active participation of the project's panel of advisers. The members' constant availability provided a continuing source of expertise for all of us. Each member of this panel—James W. Frick, William A. Kinnison, T.O. Lashlee, Paul LeComte, William Pickett, John W. Pocock, Gary H. Quehl, Curtis R. Simic, Mary Wallace Wheat, and Eugene R. Wilson—deserves our thanks.

Finally, AGB owes a special debt of gratitude to the Exxon Education Foundation for its generous support and counsel of this project, as well as to the institutions and their chief development officers and CEOs who participated in our survey and who provided us advice and guidance along the way.

Robert L. Gale
President
Association of Governing Boards
of Universities and Colleges
Washington, D.C.

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Preface

FOR THREE AND ONE-HALF CENTURIES, THE TRUSTEES OF AMERICAN HIGHER EDUcation have been charged with providing or obtaining the recources necessary to support their institutions. In keeping with American tradition, private individuals and organizations are a most important source of the needed funds. Today, almost 50,000 trustees of public and independent American higher education institutions are, or should be, engaged in the process of seeking and acquiring these private funds for their institutions.

No longer is the simple solicitation of friend to monied friend adequate to the cause. The art and apparatus of fund-raising has expanded in reach and complexity at an ever-increasing pace during the last several decades. Publications and literature attest to a rising professionalism in fund-raising endeavors. Conferences, workshops, and seminars on the subject of fund-raising techniques abound.

In all of this, the trustee's role is briefly cited before passing on to matters of the mechanics of organization, planning, and execution directed mainly to the practicing development professional. This is right and proper as far as it goes, but it leaves trustees unsatisfied in their quest for knowledge. And the trustee and the board is where the entire enterprise begins.

In conversations with trustees and in mentoring assignments with boards, the Association of Governing Boards of Universities and Colleges has become increasingly aware of a sense of unease among trustees, new and old, as to their proper role and the means by which they can most effectively discharge their unique leadership responsibilities. Questions about policy guidance and about why, how, and to what end loom large in their contemplations. The voluminous and fragmented information that comes their way is insufficient to answer some of their central questions. They must view the world of fund-raising from the top down, rather than from the ground up, as does the professional.

This, then, is the purpose of this monograph. It aims to present the process of fund-raising in higher education as viewed from the top, stressing the interests of the trustee and avoiding the details of fund-raising organization and mechanics

necessary to professionals.

One of the abiding interests of trustees is to be able to compare their own and their institution's performance with that of other trustees, boards, and institutions. How do others do it? How does it work out? What can we learn that might improve our own leadership and guidance?

To this end, the Association of Governing Boards of Universities and Colleges, with funds provided by the Exxon Education Foundation and the endorsement of the Council for Advancement and Support of Education, conducted a comprehensive survey of the fund-raising programs and habits of AGB's more than 1,000 members. The survey document was extensive and required considerable time and effort from staff members of responding institutions. The high degree of interest in the subject is reflected in the 45 percent response rate; the profile of the responding institutions as to size, location, and public or private support mirrors the profile of the total AGB membership.

Statistics—hard and soft—and inferences drawn from this survey are used extensively in this monograph. They are presented as illustrative and as bases for general performance comparison. The data on trustee performance are new and significant in revealing the true performance levels of trustees and boards as they carry out their fund-raising responsibilities. But the reader is repeatedly cautioned not to consider such derived statistics as the basis for formulas that will lead to guaranteed success in fund-raising. The variety of institutions, of constituencies, of environment, and of purpose is so great that no single formula applies.

Several overall observations can be made. First, the group of private institutions with annual operating budgets ranging from $20 million to $50 million is the core of fund-raising innovation and experimentation. These institutions have long histories of fund-raising and traditionally have relied on private donors for a generous portion of their support. They have been at the business for a long time, and their effectiveness in fund-raising shows it.

Second, many of the younger public institutions, largely new to soliciting private funds, have a way to go in developing their fund-raising programs. The larger and older state universities often match the private institutions in the scope and effectiveness of their fund-raising programs, but a great gap exists between their performance and that of most other public institutions. The public community colleges, newest on the scene and looking for private support to make a difference in the quality of their programs, appear considerably tangled in getting their programs off the ground. They could use some help.

A final observation is that trustees do indeed make a difference. The statistics on trustee giving and participation in fund-raising fully support this contention. Boards that are effective in policy determination, planning, and organization of fund-raising programs also mount the most successful campaigns.

This presentation begins with the initiation or rehabilitation of the total fund-raising program and then follows through the preparations that pave the way to

program installation, the planning tasks of the board, the specific inputs expected of individual trustees (including the personal giving), and the evaluation of results—the final reckoning.

We trust that the reader, along with all of us, will extend a "thank you" to the anonymous hundreds of already overburdened administrators and staff members who found the time to derive the figures and answer the queries of an extended questionnaire, thus providing the material that gives a real-life quality to the story.

J.W. Pocock
Chairman Emeritus
The College of Wooster
Wooster, Ohio

INTRODUCTION

IN THE BEGINNING, THERE WAS HARVARD COLLEGE. THE TWELVE OVERSEERS appointed by the Massachusetts General Court had, among other assigned tasks, the responsibility for obtaining and managing resources to establish and conduct the programs of the fledgling institution. Thus, in 1636, at the very birth of institutionalized higher education in America, the governing board was involved as a major participant in fund-raising activities. This marked the beginning of the tradition of private philanthropic support of higher education in America. And so it has been ever since.

Some History

Although no early statistics are available—other matters occupied institutional attention—the early records of individual institutions regularly record the generosity of private donors. Likewise, the same sources document the trials, tribulations, and failures of institutions that could not elicit such support. Well over half of the institutions founded during the time up to the Civil War failed to survive into the 20th century. Private philanthropy carried the emerging higher education enterprise on its shoulders. And the institutional records tell of the critical importance of governing board and trustee support.

The entry of the public institutions in the mid 19th century apparently did little to alter this pattern of private support of private institutions. The government supported public institutions. Private philanthropy supported the private institutions. The rules of the road were clear.

Available records from these early years document the donations of private individuals and church organizations as the dominant means of support. The days of annual giving, capital campaigns, alumni exhortation, and professional fund-raising staffs were yet to come. The president and the trustees were the driving forces.

The first half of this century has seen a strong upward trend in the dollar

amounts provided by private sources for higher education. The United States Department of Education, which in a former incarnation began to collect meaningful statistics in 1910, estimated that private support increased tenfold between 1910 and 1950. This rise in private support outstripped the growth of student enrollment and faculty numbers during that period.

The years 1950 through 1966 saw a phenomenal upward thrust in private giving, aided and abetted by the growing presence of public institutions in search of private monies. This was the "golden age," when economic well-being prevailed, society saw its future entrusted to the successes of higher education, and rapidly growing student bodies brought vast numbers of private citizens into an informed acquaintance with colleges and universities. Total giving increased almost sixfold during these years, an annual growth rate of 11.6 percent.[1] The upsurge was fortunate, for booming higher education needed the money.

Since the mid 1960s, the growth rate has been somewhat erratic but still strongly upward, with the increases over the previous year estimated at 17 percent in 1985-86 and 15 percent in 1986-87.[2] The dollars keep flowing in.

Two factors have offset this rising tide of dollars, however. First, as higher education has become more complex and has sought to provide ever-widening experiences to students, the real cost has risen and absorbed much of the dollar gains. In addition, because of inflation, private support has actually declined as a portion of the total incoming funds to higher education. From a position in the late 19th century when private funds were perhaps 50 percent or more of incoming funds, one researcher has estimated that funds from private sources dropped to 15 percent of incoming funds in 1940. They continued to drop to about 11 percent by 1950.[3]

Much of this relative drop is due to the explosive growth of public institutions and the resulting strong flow of public funds into the revenue stream. During the "golden age" burst of giving from 1950 through 1966, private donations were barely holding their own as a percentage of institutional intake. (Indeed, capital outlays for that period outran capital giving, leaving debt on the books of many institutions.) The drop continued throughout the 1960s, until it fell to about 7.5 percent in 1975, where it remains today. All of this occurred even though public institutions had become vigorous hunters of the private dollar and, as a result, had added dollars to the total take from private sources.

Second, in the early years of the 20th century, a significant shift occurred away from time-honored plant and endowment gifts—which add to the core capital of the institution—to gifts to support current operations. Faced with growing problems of keeping operations in the black, institutions turned their emphasis to appeals for the present; the future, they seemed to believe, would take care of itself. From 1910 to 1950, the share of private giving for support of current operations rose from 15 percent to more than 46 percent of total giving.[4]

Although this giving pattern sustained the quality and growth of higher educa-

.tion, the slowdown in capital giving, especially for endowments, compromised governing boards' abilities to deal with the future—when economic uncertainty might require that institutions have an adequate endowment base. This swing to giving in support of current operations continued, reaching 61 percent in 1980.[5] Private donors appeared to be running ever faster just to stay even.

Since 1980, there appears to have been some reversal of this trend. In the school year 1985-86, a return to capital-fund giving dropped the percentage of donations earmarked for operating funds to 54 percent.[6] Among respondents to the August 1987 survey conducted by the Association of Governing Boards of Universities and Colleges funded by the Exxon Education Foundation and endorsed by the Council for Advancement and Support of Education, operating gifts were about 57 percent of total gifts in 1985-86. It seems clear that institutions and their governing boards are recognizing the need to rebuild their capital accounts if they are to survive and prosper in the coming generations.

Whatever the numbers and interpretations, governing boards and individual trustees have been at the heart of the fund-raising efforts through the years. It is not stretching the truth, looking at the experience of individual institutions, to report that as the board performs, so does the fund-raising program respond. This has been true for three and one-half centuries. It is true today.

Why Trustees?

The simple answer to the question "Why trustees?" is that the board is the ultimate seat of power and responsibility in the institution. Among the many charges to the board is that of ensuring that adequate resources are and will be available to support the programs of the institution. The trustees hold the assets of the institution in trust for the benefit of the institution, its supporters, and society. These assets are maintained and enlarged through the acquisition of resources, and the dominant resource is money.

In public institutions, this fund-raising responsibility is often shared with or delegated to a separate foundation whose board, together with the institutional board, is charged with obtaining from private sources any additional funds that may be necessary. Whatever the structure—private institution or public institution—the board is responsible for raising money. There is simply no place to hide.

In this fund-raising role, the board and individual trustees must have a perspective that reaches beyond the present to address needs for the future. Indeed, in raising funds and allocating the funds received, trustees must balance present against future needs even more than in other areas of their stewardship. The establishment of a strong and continuing fund-raising program is an essential element in ensuring the stability of the institution in years to come.

The trustee is in a unique position, because he or she sits in the highest echelon of institutional governance and is grounded in the plans, needs, and dreams of the

institution. The trustee is responsible for how funds are raised and how wisely they are spent. Prospective major donors want to talk with those in whose hands rests the present and future health of the institution. Presidents, given the human limitations of time and energy, simply cannot handle all the demands of a major fund-raising program. The trustee stands as a peer of the president, his or her surrogate in the development of major donors.

Trustees are recognized for their achievements, respected in their communities, and people listen to their opinions and suggestions. They are role models and pace setters. They know people and move easily in their social and professional worlds. Their external ties and relationships are often at high social and economic levels and can be beneficially exercised for the support of the institution. These endowments of the trustee make him or her an exceptional participant at the highest levels of fund-raising.

Perhaps the greatest incentive for trustee participation in fund-raising, however, is the strong sense of personal satisfaction and fulfillment that comes from giving of oneself and one's estate to an important institution. This feeling is familiar to experienced trustees, and newer trustees are encouraged to join in the challenge and reap the joy of participation.

No matter for what purpose—operational or personal—the trustee must be a key participant if the fund-raising program is to succeed.

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2. *Giving U.S.A.* American Association of Fund Raising Counsel Trust for Philanthropy, 1986 and 1987.

3. Michael Radock and Harvey K. Jacobson. *Handbook of College and University Trusteeship.* San Francisco: Jossey-Bass Inc., Publishers, 1980.

4. Smith, op. cit.

5. Smith, op. cit.

6. Smith, op. cit.

THE DEVELOPMENT PROCESS

MANY INDIVIDUALS, FAMILIES AND ORGANIZATIONS WANT TO GIVE FINANCIAL support to higher education institutions. A lot of money is available, and many institutions need and deserve this money. The challenge is to devise a discriminating and orderly process to link the desiring donors to the deserving institutions.

The short-form description of development usually includes the progressive steps of (1) finding and qualifying the prospect, (2) cultivating the prospect to a point of consuming interest in the institution, (3) matching the prospect's specific interest to a need of the institution, and (4) presenting the proposal and closing the arrangement.

This oversimplification does little justice to the complexity of today's development practices. Indeed, it may undermine the enthusiasm of the trustee as he or she discovers the enormous time and energy required in the undertaking.

The process by which resources are transferred from donor to institution is conditioned by a number of factors: donor perception of educational needs, social imperatives, emotional allegiances, rational inquiry, persuasive communication, estate plans, economic conditions, tax implications, and many others. Fund-raising programs, as developed and practiced in higher education today, are designed to orchestrate this transfer in a purposeful and orderly fashion. Trustees who aspire to become constructive influences in their institution's fund-raising program should understand the basics of the process and the environment in which it functions.

The Total Fund-Raising Program

In the past, institutional fund-raising activities—characterized by presidential cultivation and solicitation of major prospects, alumni efforts in behalf of a specific interest, and periodic campaigns for capital purposes—were intermittent, loosely organized, and conducted by enthusiastic amateurs. Today, something more than the enthusiastic passing of a passive tin cup is required.

Today an effective fund-raising program is a major continuing goal of every college and university. It is rooted in the strengths of the institutional mission and traditions and is guided by purposeful research. It anticipates the needs of the institution, integrates a variety of fund-raising mechanisms into a coordinated endeavor, and is overseen by a fully professional staff. All constituencies of the institution are seen as eligible participants, with trustees among the most prominent.

The welter of fund-raising mechanisms, terms, definitions, and professional jargon may confuse the casual trustee observer, unless a few basic terms are understood.

Almost every institution has an *annual campaign* in place within the total fund-raising program. Titles and details may vary, but the annual effort involves soliciting funds, within the year, for unrestricted operating purposes. The funds go to support the current operating budget. Cash or equivalent donations count, and any short-term pledges unpaid at the year's end are considered defunct. Basically, the annual campaign raises money for the here and now. It is considered by most the foundation of the total program, whether in private or public institutions. Not only does it bring in necessary operating monies, but it identifies potential donors and establishes an attitude of giving upon which capital campaigns can build. In addition, the annual campaign is a training ground for professional and volunteer workers—including trustees.

The *major capital campaign* is a periodic effort appealing to all constituencies for gifts to provide funds for buildings, faculty chairs, the endowment, and so forth.

Special capital projects may target a selected group of prospective donors to fund a specific need for which it is not feasible to wait for the launching of the multiproject campaign.

In a well-conceived fund-raising program, all of these activities may be continuously in the works. The purpose and timing of the several efforts require careful consideration so that they do not trip over one another in setting their objectives or drain away resources from a parallel effort. This is one good reason to have professional staffs.

Although the means by which a gift is conveyed can vary considerably, gift giving falls into one of two broad categories. The *immediate gift* is in cash or in kind and is paid off over a short period of time. The *deferred gift* promises funds at a future date, with the instrument being a trust, life insurance proceeds, principal of an annuity, pooled income-fund shares, or other forms. *Planned giving*, a term with many definitions and meanings that has become popular in recent years, is essentially deferred giving, although some professionals extend the definition to encompass the planning of a personal program of lifetime giving, in which the donor will employ several giving instruments.

Overshadowing the apparatus of campaigns and giving instruments is the task of *identifying and cultivating potential sources of gifts*—individuals as well as orga-

nizations. The task is simply stated, but it is very difficult to execute. In fact, identifying and cultivating prospects consumes a major portion of time and effort in any well-conceived fund-raising program. In this area, trustees have perhaps the greatest opportunity to make an individual contribution to the success of their institution's fund-raising program.

Meshing the three main elements of a program—the types of campaigns, the menu of "gifting" instruments, and identifying and cultivating prospects—requires commitment, intelligence, energy, and time on the part of the professional staff and participating counselors and supporters. Trustees need not understand all the details, but they should grasp the complexity of the entire venture, so they can appreciate their role and understand the necessity of their involvement.

The Source of Funds

The literature of fund-raising trumpets the fact that the dollar totals of private giving to higher education have grown greatly in the last few years. Thus, only 15 years ago, total estimated giving was on the order of $2 billion, whereas in 1986-87 total estimated giving reached $8.5 billion.[1] [2] Donors and fund-raisers, professional and amateur, should be commended for this achievement.

Sophisticated trustees understand, however, that adjusted for inflation using the Higher Education Price Index (HEPI), the actual buying power of this giving has gained very little—well below the budget increases of the institutions.[3] Thus, although there is a multitude of desiring donors with a great deal of wealth being cultivated by ever more competent professional staffs and their helpers, higher education is not quite holding its own. Trustees are in a key position to do something about this situation. A first step is to understand where the funds come from.

Individuals are and always have been the prime source of gifts to higher education. This is easily forgotten in an age of substantial and well-organized giving by large foundations and corporations. More than half of all private gifts to all institutions, private and public, comes from individuals. If bequests are included, the figure goes up.

The AGB survey results show that in 1985-86, private institutions that responded to the survey received a mean of 52.3 percent of their gifts from individuals. If bequests are included, the mean rises to 60.5 percent. Public institutions followed a similar pattern, with 55.7 percent of their gifts coming from individuals—59.2 percent if bequests are included (see Figures 1 and 2).

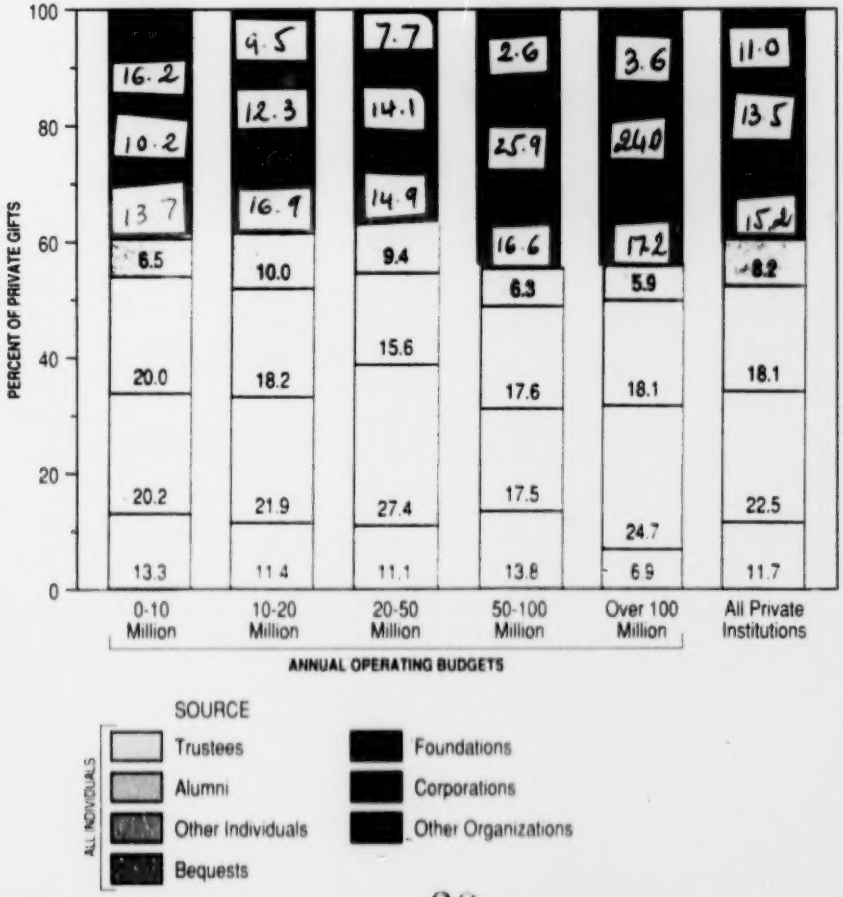
It is reasonable to ask whether the higher percentage of individual gifts in the small, private colleges is because of a natural attraction to donors or because less effective effort is directed toward other sources. Regardless, it would seem worthwhile for boards of small colleges to be certain that their institution's fund-raising program places a top and continuing priority on cultivation of individuals.

The Council for Financial Aid to Education estimates that in the academic year

1986-87, 51.9 percent of all dollars donated to higher education, including bequests, came from individuals.[4] Simply for statistical assurance, if the percentage figures of the AGB survey are translated into dollar amounts and subjected to reasonable adjustment to portray the entire population of higher education institutions, a figure of 54 percent is the result—certainly adequate to confirm the findings of the two studies.

Figure 1

SOURCES OF PRIVATE GIFTS TO PRIVATE INSTITUTIONS



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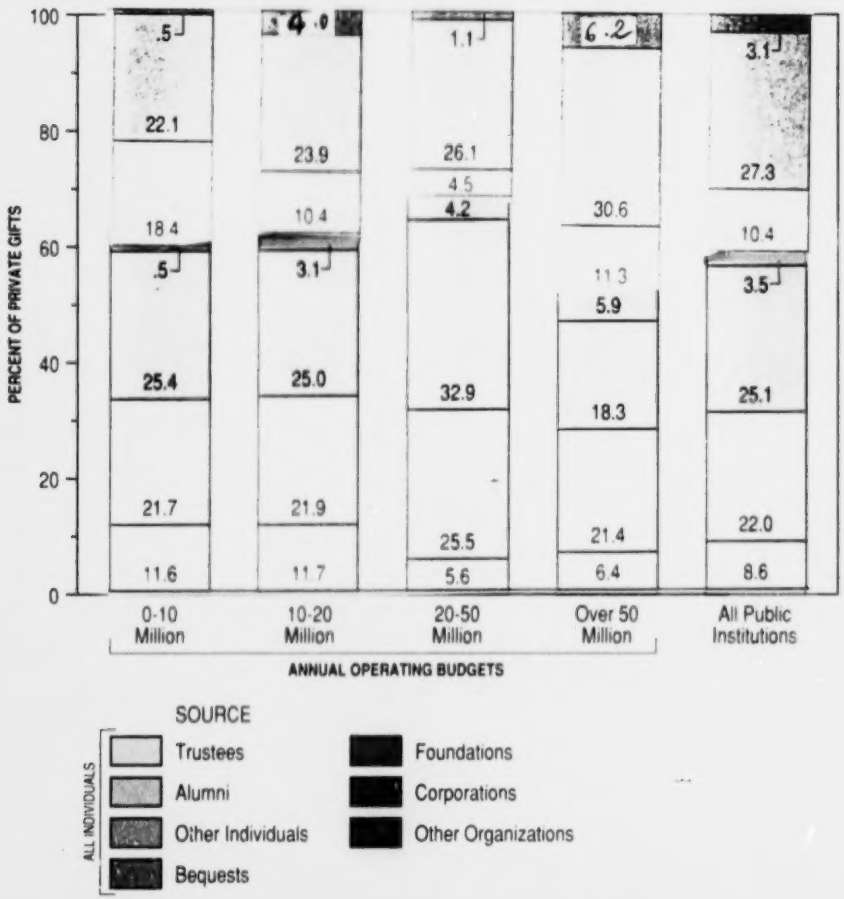
Corporation giving, often through corporate foundations, has grown strongly during the last two decades and now ranks second as a source of private funds for all higher education, amounting to more than 18 percent of all gift receipts. This is a welcome development in higher education circles, but corporate gifts are heavily skewed toward the public sector and the larger institutions.

Among survey respondents, the mean percentage of corporate gifts to all private

Figure 2

SOURCES OF PRIVATE GIFTS TO PUBLIC INSTITUTIONS



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institutions was 13.5 percent of all gifts, with the smallest privates receiving only 10 percent of their gifts from corporations. In contrast, the largest private universities garnered 24 percent from corporate sources. Public institutions as a group received 27.3 percent of their gifts from corporations, with the smallest institutions getting 22.1 percent and the large universities 30.6 percent. It should be noted that these figures do not include research grants, which go largely to the big institutions, private and public.

For whatever reason—possibly that small, private institutions do not know how to solicit corporate funds effectively—corporate giving favors the large institutions, and this should be noted by trustees in their fund-raising planning.

Foundations are the next most important source of private funds for higher education. The foundation share has been estimated at 17.8 percent of all private gifts to all institutions in 1986-87.[5] Figures reported by AGB survey respondents ran a bit lower, but were close enough to offer confirmation. Private institutions as a group received 15.2 percent of their gifts from foundations, ranging from 13.7 percent in the smallest institutions to 17.2 percent in the large universities. Public institutions received 10.4 percent of their gifts from foundations, ranging from 18.4 percent for the smallest institutions to 11.3 percent for the large universities. It would appear that, unlike corporations, foundations tend to support the private sector and shy away from the large institutions.

Another source of gift income is religious groups. For years, private institutions have relied on such income, but as these groups have encountered their own financial exigencies, their support has faded. Today, gifts from "other sources," with the dominant component being religious-group support, has fallen to 11 percent across all responding private institutions. A few small, private colleges that have a strong relationship with sponsoring denominations or orders have held on to 16 percent or better in this category. Public institutions as a group receive 3.1 percent of their gifts from other, nonreligious sources.

The figures in this brief overview of the source of funds are statistical outcomes and estimates and should not be regarded as standards. Each institution has its own source pattern. However, trustees should identify their own institution's source pattern in light of the experience of comparable institutions and make sure that their institution's fund-raising program has realistic expectations about its various sources of gifts.

The Competition for Funds

Americans have long been known for their philanthropic support of their institutions. In 1987, an estimated $93.7 billion was poured into institutional coffers—museums, churches, hospitals, orchestras, ballet companies, and higher education.[6] In the school year 1986-87, an estimated $8.5 billion came to higher education. Although the time periods of the estimates do not quite match, it would appear that

higher education garnered about 9 percent of the total gifts.

Competition for funds begins in this larger arena, where all sectors seek to increase their share of the public's largesse. With only 9 percent now coming to higher education, there appears to be room to expand. The relative disenchantment of the public with higher education in recent years does nothing to enhance the position of higher education in this basic competition for funds.

Even within the higher education community, the competition for funds is keen. The large research universities compete with one another for support. The liberal arts colleges as a group compete with the more vocationally oriented institutions. Within a specific geographic area, all types of institutions compete for the local public's charitable dollar. Group and consortia solicitations add complexity to fund-raising efforts of individual institutions.

Occupied as they are with developing an effective case for their institution and communicating it to their constituents, development professionals can lose touch with the larger competitive picture. It would seem to behoove trustees to develop an understanding of this larger picture and incorporate it into long-range fund-raising planning.

All of this said, the most advertised competition for funds today is that between the private and the public institutions. Private institutions have long considered themselves the sole legitimate claimants on private giving, while public institutions have laid claim to the tax dollar.

This pattern has eroded over the last several decades. Private institutions have benefited from a growing flow of funds from government—federal, state, and occasionally local—through scholarships, grant support, and subsidized loans—both to students and to institutions for facilities and research programs. Public institutions, many of which have had active fund-raising programs with alumni and others, have in recent years targeted private donors. The private institutions say that this is stealing from their privileged domain. The publics respond that the privates are cutting into their tax dollars.

This unfortunate tension should be diffused. Aside from a few local incidents and much subjective conjecture, no credible evidence exists to suggest that increased emphasis on private development by public institutions is depriving private institutions of support. Thus far, it would appear public institutions are developing their own natural constituencies—alumni; corporations and foundations that do not normally give to small, private institutions; and local citizens who have never given much to higher education but are now moved to do so through support of their hometown institution.

It would be far better for public and private institutions to join forces and press for more support of all higher education. To continue their squabble can only detract from the public's impression of higher education as a cohesive service community dedicated to the public good.

The External Environment

The degree to which the external economic and social environment affects fund-raising activities is a matter of subjective reasoning and conjecture. One must assume that there are environmental factors that can inhibit the flow of funds to higher education, but what factors and to what effect remain unclear.

Government support of higher education has dropped in recent years and might not recover lost ground in the near future. This decline lends a sense of urgency to the fund-raiser's entreaties to private sources, but just what will be the long-term result in private giving is highly conjectural.

Tax legislation receives headlines in higher education journals and fund-raising seminars, as lawmakers tamper with capital-gains taxes and charitable-deduction requirements. Again, there is little doubt that less favorable tax treatment for capital gains and tighter limits on charitable deductions inhibit donor largesse, but to what degree? Although it is possible to construct some convincing and not-so-convincing analytical projections, no great body of experience exists to tell us just what the result may be—and tax laws can change.

Among major donors, it appears that tax considerations rank low on their list of motivating factors. Matters of social responsibility, personal fulfillment, and recognition rank considerably higher. Such motivations are powerful and can go far toward offsetting irritating tax consequences.

The economic temper of the times is an item of regular discussion by trustees considering a major fund-raising effort. Campaigns have been postponed at rumors of recession. Other campaigns have forged ahead despite actual economic recession and have been most successful. All evidence suggests that modest economic recession, while generating a gloomy outlook among some, does not greatly alter giving patterns, especially with major donors. Major donors usually have their disposable assets in hand, and their incentive to give appears not to be greatly affected by a passing economic downturn. Lower level donors may be more immediately affected, but their total support is usually a small portion of the incoming dollars. Trustees should not fold up their campaign tents at the first economic squall—too many institutions have persevered through them and succeeded.

Perhaps the most important environmental trend affecting fund-raising in higher education has been shifting public attitudes. Rising student enrollments since World War II and the increasing visibility of institutions of higher education in public and business life have heightened public awareness. No longer is higher education seen universally as a wise and beneficent community dedicated to the intellectual and moral well-being of society. Some warts have emerged.

Accordingly, higher education is being questioned, and media polls indicate that its esteem has fallen somewhat in the public's estimation. Such a general attitude, although a specific institution's program may overcome it, can only depress total fund-raising returns to American higher education. It behooves trustees of all

institutions to promote institutional self-discipline to reestablish higher education in its former niche of high esteem in the eyes of the American public.

In summary, evidence from higher education institutions suggests that the internal variables of quality, validity, and vigor of a fund-raising program are most important. With close attention to these factors and the wholehearted participation of the board and individual trustees, negative forces in the external environment can be substantially offset and overcome.

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SETTING THE STAGE

PROBABLY NO OTHER FACTORS SO CRITICALLY AFFECT THE ULTIMATE SUCCESS OR failure of a fund-raising program as do the preparations. All consultants, advisers, and professional staff leaders agree on this. Yet institutions that are just beginning to make fund-raising a central, continuing activity often jump into the enterprise without first establishing the necessary foundation. This takes time—and the need for funds is urgent—but the history of fund-raising underscores the importance of setting the stage to avoid disappointment. It is up to the trustees to make sure the stage is properly set.

Shaping the Board for Fund-Raising

Among the many capabilities important in establishing the membership of a board of trustees, fund-raising capability is mandatory. If the board and the individual trustees are the dominant leadership element in an institution's fund-raising activities, it follows that the board should be consciously shaped with this requirement in mind and populated with a number of trustees who can contribute to the task. This is the central task of the nominating committee. If the board is not composed and oriented toward fund-raising success, the entire enterprise rests upon a most uncertain foundation.

Robert L. Gale, president of the Association of Governing Boards, in speaking to the matter of board composition, bluntly states that "most institutions need more fund-raising help from their board members than they currently get." In addition, he says, "Because of the great need for fund-raising, the various business and financial communities should be especially represented by appropriate trustees."[1]

A growing number of private institutions are adopting the notion of establishing a "board profile" in which they enumerate the characteristics and experience desired on their board to fit the institution's specific mission, objectives, and governance needs. The fund-raising function is universally placed high on the profile. Yet many institutions shy away from such conscious design and, conse-

quently, find themselves with boards composed of fine people having substantial personal ties to the institution but, as a group, lacking the capabilities required to handle the tasks thrust upon today's boards.

The foundations supporting public institutions are, by definition, fund-raising enterprises and thus should be most cognizant of selecting directors who are up to the task. Yet based on discussions with members of such boards, support staffs, and trustees, it seems that foundations, too, have a way to go.

The ideal characteristics and capabilities should be no mystery. It is clear that all trustees should have a personal commitment to the institution and be willing to lend their time and energy to all undertakings of the board. As for the fund-raising task, trustees who can organize and lead the various phases of the program are needed. Trustees who enjoy working with people and developing new personal relationships, who have friends and contacts in circles that provide sources for donor interest, and who have the patience to cultivate major donors should be high on the list of desirable candidates.

A significant number of trustees should possess the personal resources necessary to donate large sums to the institution. Finding such people is crucial to fulfilling the requirements of the board profile. (Wisdom and wealth, it may be pointed out, are not necessarily mutually exclusive adornments.) Yet boards and trustees back away from specific discussion of this need. It is deemed impolite, awkward, and mercenary.

Why is this so? The case is well stated by a respected trustee with considerable experience and personal participation in board giving: "We need money as well as time, and money has to come from those who have it."[2] No board member can dodge the requirement to give and give generously, and no board can dodge the requirement to attract members who can give.

A brief word should be said about the practice in some private institutions of limiting trustees' terms of service and requiring time off the board before reelection is possible. This practice may yield improved governance, although other methods can help a board achieve this benefit, but the practice can destroy the continuity of interest of trustees as they come to know and love the institution and contemplate one or more major gifts. The service of trusteeship is, in and of itself, a process of cultivating the prospective trustee-donor. Like all cultivations, it requires time. And the greater the potential, the more time it may take.

As the board is shaped for the fund-raising task, so should the leadership for the endeavor be clearly provided. The board chair should be selected with the knowledge that he or she will occupy a highly visible position and will be expected to lead in the search and acquisition of funds. This will require interest and time from the chair. Further, the development committee of the board should be a group of trustees with strong leadership skills. This committee, in addition to directing the development efforts of the board, has the responsibility of educating trustees in their development roles and positioning them where they can be most effective.

The foregoing may seem obvious to the educated trustee. Yet the most prevalent obstacles to forming and executing successful fund-raising programs are the shortcomings or outright inadequacy of the board in this role.

The Mission, the Long-Range Plan, and the Development Needs

A well-engineered development effort does not grow out of thin air. Rather, it is derivative of prior postulations by the board and the institution as to what the institution is all about, where it intends to go, and how it intends to get there. In all of these determinations, the board plays a leading role.

The mission statement should set forth in relatively brief and understandable terms what kind of educational experience the institution offers, who the institution looks to serve, and how it intends to accomplish its goals. It is the philosophical operating charter of the institution. Although the mission statement is developed from the advice and opinions of many, including the trustees, it is up to the board to see that a valid mission statement exists and is maintained.

There are at least two reasons the mission statement is important to the development program. First, as the basis for institutional planning, the mission creates a framework of needed resources, which must be provided through fund-raising. Second, by illuminating the institution's unique interests and concerns, the mission sets the tone of the fund-raising effort as it cultivates potential donors. Without a mission statement, development is flying blind.

The long-range plan evolves from the mission and specifies the strategy and tactics required to carry it out. Whatever the process by which the plan is created, it will cover in detail a period five to ten years into the future and, perhaps, present a general prognosis for some years beyond this period. Among the many considerations in developing the plan is whether the resources required to carry it out will be or can be made available.

The best development programs recognize that fund-raising is not turned on and off like water from a tap; they are laid out in a fashion coherent with the long-range planning. Fund-raising decisions are forced by the quantitative and qualitative elements of the plan. Requirements for buildings, scholarships, endowment, retirement of debt, new programs, and general operating support must be viewed against the interests and capacities of potential donors as the plan is developed.

The effort to acquire annual operating funds must be balanced against major capital-fund efforts. Whether the institution mounts one or more general campaigns, a series of specific efforts, or a mix of both is important to fund-raising strategy planning. All of this is mainly the task of the professional staff, but trustees should know what is being done and what opportunities or problems for the development plan are generated by the long-range plan.

Coordinating all facets of the development program requires significant lead time. The annual campaign is a staple of and a springboard to finding new donors.

The capital campaign must be timed so that it does not dampen or exhaust the giving enthusiasm of donors. The time required to cultivate and achieve donor support must be taken into account, and public-relations plans to prepare the way for the key thrusts of the program must be initiated. All of these efforts and many others must be aligned with the funding requirements as cited in the long-range plan.

Although the board and the individual trustees will not participate in every detail of the planning process, the development committee of the board should insist that a coherent plan for development activities that will justify the commitments and personal efforts expected of the trustees is in place. This requirement seems clear. Yet responses to the AGB survey indicate that many institutions do not have a clear and understood linkage between their development planning and the long-range planning for the institution as a whole.

The Unique Characteristics of the Institution

Every institution has something that sets it apart. Certain unique characteristics may be established in the mission statement. Others may be related to history and tradition, geographical location, specific educational programs of distinction, the type of students served and the means by which they are aided or pay their way, the occupations into which the graduates move, the beauty of the campus—and on and on. These unique characteristics are keys to appealing to individuals and constituencies with corresponding interests.

It is the task of the professional staff, with input from many others, to identify the reasons donors give to the institution and which are specific to the institution and go beyond the more general appeal for support posted by all of higher education. In other words, what are the reasons people give to our institution rather than to others? Such reasons include incentives for various natural supporting constituencies to give. Indeed, one or more of the characteristics may cause a specific constituency of donors to develop. Religious denominations tend to support institutions of their denominational bent. Neighbors support local institutions more readily than distant ones. Chemical companies support institutions with strong chemistry programs. Alumni and like-minded friends may be attracted by the athletic program.

When such a catechism of features is established, all participants in the development program should learn to sing from the same song sheet. Trustees, in particular, are often too self-assured in their presumed knowledge of their institution's unique features. They can launch into a random, unfocused, and wandering recital, which can be more confusing than helpful to the pondering donor. For this reason, it is good practice for trustees to agree on a list of features, understand the elements of their appeal, and know something of the specifics that lie behind their appeal. As leaders in the development program, members of the board should be able to tell

the most effective story supporting the case for a donation.

The Public-Relations Program

Public relations is an essential element of the fund-raising program. In many institutions, the public-relations office (by whatever title) is an arm of the development or advancement department.

Fund-raising cannot proceed productively under the cloud of a poor or misinformed public image. In too many instances, development campaigns have been launched with little heed to a deteriorated institutional image. Recognizing that the institution has a negative image that must be corrected comes only as expected gifts fail to materialize. Such failure must be laid at the board's door.

Building or shifting an image takes time. This time should be built into the schedule, especially if a vulnerable image is to be set right. The time and money spent will be more than returned in an enhanced fund-raising effort. If the image is already beneficial, some time can be well spent tuning and refining it to build a case for the needs to be addressed in a campaign.

A successful public-relations program prepares the ground for other activities of the institution, such as student and faculty recruitment and legislative beneficence. The image of a successful, productive, and contributing institution fuels the hearts and minds of prospective students, faculty members, and donors as well as those of presiding legislators.

The Professional Staff

The operational and creative core of the development program is the professional staff. Trustees may accept their leading role in the fund-raising efforts and understand the patterns and needs of the endeavor, but it is the professional staff that must articulate the program in detail and plan and conduct the overall operation.

A central concern of the trustees must be that a competent staff is in place. The president, to whom the board has delegated executive authority over the institution, will share this central concern and take the actions necessary to maintain or build such a staff. The board seeking to implement its leadership in fund-raising will soon discover that without the support of a competent professional staff, it is a horseless rider.

The president is always the chief money-raiser of the institution. In private institutions, he or she will spend about 28 percent of his or her time raising funds, according to survey returns. In public institutions, the foundation director and staff often carry the major load, but the president, judging by survey responses, still spends about 12 percent of his or her time in direct fund-raising and sets the style and tone of the activity. One of the key capabilities to be considered by the board when selecting a president must be the candidate's probable effectiveness in fund-

raising. And the president must understand and accept this continuing role.

The vice president for development is nominated or selected by the president. The bylaws of most private institutions require ratification of the choice by the board. But—private or public—it is an indifferent president who selects a person who does not enjoy the board's confidence, because the vice president works closely with the trustees of the institution or the public foundation. Thus, as the president moves toward selection, he or she would be wise to keep the board informed of progress and prospective candidates to ensure the smooth emplacement of the chief development officer. If the president is the chief fund-raiser, he or she should have the right to select the first deputy.

The selection of a director of a public foundation is not so clear-cut. The statutory or perceived requirement for separation of institution and foundation may inhibit presidential priority in making the selection, and this has evidently led to friction in some cases. Where the linkage of institution and foundation is not so limited, the chief development officer of the institution is a guiding factor in foundation activities, sitting on the board and at times serving in the double role as director of the foundation.

Development officers with demonstrated experience and success are in short supply today because of the burgeoning number of institutions attempting to establish full-bodied programs. Survey returns indicate that in private institutions, the chief development officer has had a mean of 11.9 years of experience in the field and has served his or her present institution for about five years.

The turbulence in the field is reflected in the statistic that private institutions have had, on average, between two and three development officers during the last ten years. Public institutions report similar statistics. In both sectors, the larger institutions have development officers with somewhat greater experience and tenure. The field is a seller's market, and something more than mere dollars is required to attract and hold the competent development officer.

The two top professionals, the president and the chief development officer, should select and organize the professional staff. They know best the type of individual with whom they can work most productively. Let them do it.

Many good treatises outline how to organize, energize, and manage a professional development staff; different patterns and approaches have been successful. The board or individual trustees need not possess in-depth knowledge about such things. The board's main interest should be that the basic functions of a fund-raising activity are clearly present in the organization, by whatever plan. These functions include the classic areas of annual giving, capital solicitation, and deferred or planned giving.

There should be clear assignment or responsibility for relationships with prime constituency bodies, especially the alumni. The research and record-keeping functions should be clearly identified and assigned.

The chief development officer should inform the board about the organization of

the development staff and assignments of key personnel, especially those with whom the trustees will deal in their own fund-raising tasks. Beyond this, the board should steer clear of internal office matters unless organizational weakness begins to display itself.

In addition, trustees should be interested in the nature and the effectiveness of the volunteer structure, because as trustees, they sit at the pinnacle of volunteer operations. Methods of recruitment, training, and supervision are of interest. Volunteers, regardless of their potential usefulness and production, do not take care of themselves. An untended volunteer structure weighs heavily on a fund-raising program. It costs time and money to maintain volunteers, and trustees should make sure that the effort is adequately structured and supported by the professional staff.

Professional staff size should be geared to the expected work load and gift revenues. For example, among private institutions that responded to the AGB survey, the gifts from all private sources per professional development staff member ran from a mean of about $382,000 per year for the smallest institutions up to $1,171,000 for the largest. Public institutions reported a range of from $336,000 in the smallest institutions to $1,881,000 in the largest (see Figure 3).

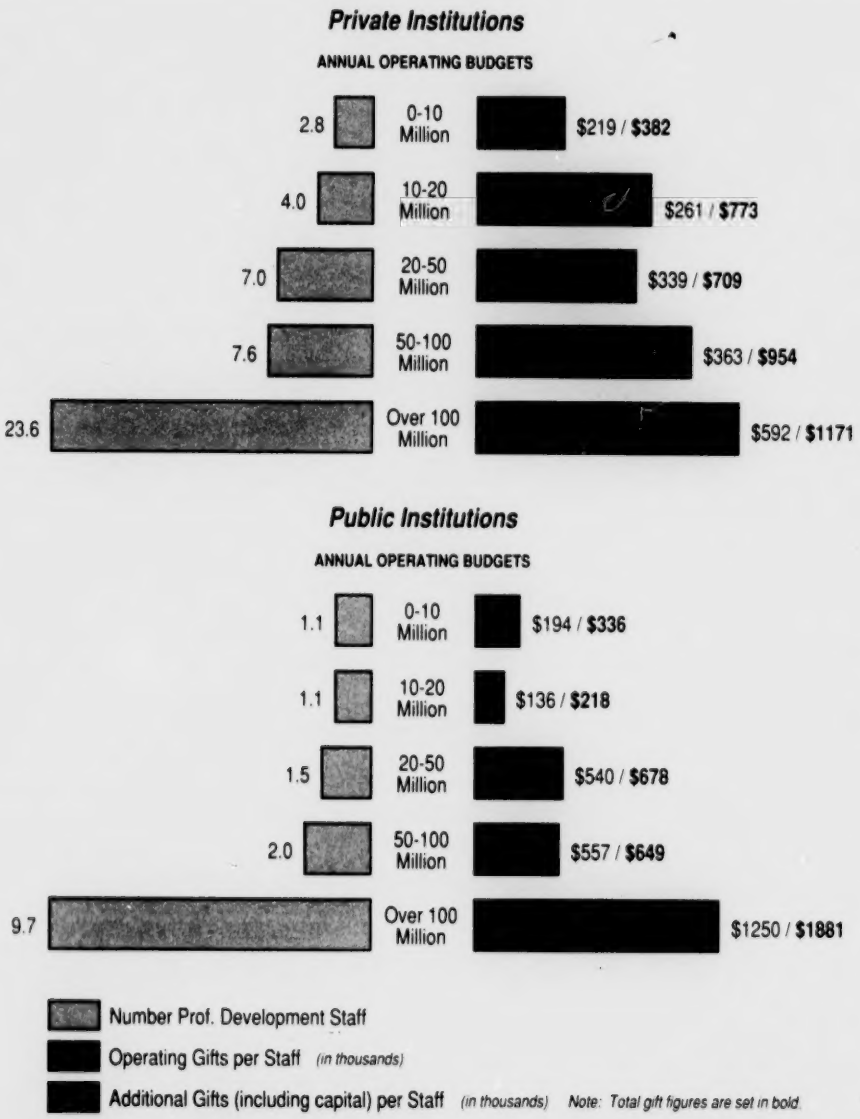
It must be emphasized: These figures should *not* be considered a staffing standard in view of the differing definitions and interpretations of responding institutions. Giving levels do not rise automatically with the addition of staff.

The development committee of the board should have the primary responsibility for board overview, meeting with and receiving regular reports from the professional staff. The development committee should be cooperative, supportive, and inquiring, but never directive, unless clear and obvious problems arise. In such cases, the board chair and the president should be consulted first.

Fund-raising is the one major activity in which trustees step beyond their policy and oversight roles and become active players. Building a sound and enduring relationship with the professional staff through the president and the development committee is of key importance. As part of this interplay, the chief development officer, as requested by the president, should talk to trustees more frequently and in greater depth than other administrative officers are allowed to. Such communication should be properly channeled and monitored. The president, the chief development officer, and the development committee should establish the rules of the road. But let the communication flow.

Figure 3

DEVELOPMENT STAFF PRODUCTIVITY



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THE BOARD'S PLANNING ROLE

THE SPECIFIC ACTIVITIES OF THE TRUSTEES, GIVEN THAT A SOUND FUND-RAISING program has been established, fall within two major roles. First is the policy and planning role, in which the board acts as an entity. Second is the role of the individual trustee, in which board members actively participate in fund-raising. The differences between these two distinctively different roles should be clearly grasped by the trustee.

Most boards feel quite comfortable with the group role as policy makers and planners, although their performance may leave something to be desired. Basically, the problem with some boards is that they leave the planning entirely to the professional staff, with little or no trustee input and review—a "hands off" attitude. Such withdrawal robs the professional staff of a genuine source of knowledge and perspective and erodes the legitimacy of the team undertaking. It tends to make fund-raising a second-level event.

Furthermore, it denies the board the opportunity to educate itself in the processes and expectancies of the program—an education through participation that can inspire individual trustees to throw their best efforts into the endeavor. A number of junctures exist where the board should be tied into the planning phase.

Authorizing and Approving the Program

The board should approve the initiation, extension, or rehabilitation of the overall fund-raising program. Budgetary implications require such approval. More important, the process of review and approval is part of the board's education. And the board, guided by the development committee and the professional staff, should likewise be asked to endorse or approve the campaigns and specific projects as they emerge in the total program. Such reviews keep the board locked into the activity and remind them of their personal obligations.

Boards too often take the annual campaign for granted. It occurs yearly and is often developed and executed by the professional staff with only token board

participation. Yet the annual campaign is the foundation of the entire program. It brings in needed operating funds. It develops an attitude of giving among constituents and identifies potential upscale donors. It schools volunteers and tests various approaches. The board should be in on all of this. It may be the case that the lack of board inclusion is a major reason, as AGB survey respondents reported, that the percentage of trustees who contribute to annual campaigns is considerably less than for major capital campaigns. Participants give. Trustees should be participants. They should give during the annual campaign—*all* of them.

The specific authorization to move into a major campaign should come from the board after a full discussion of the probable magnitude, the timing of the effort, and the perceived strengths and weaknesses of the institutional position as the institution approaches a major funds solicitation. Such discussion need not await the development of a "needs list." Most boards, if they have given appropriate attention to institutional planning and financial stewardship, have a pretty good notion of the needs and can set a good rough target.

A feasibility study done by an outside expert is probably the most effective way to probe gift targets and possibilities. A few major institutions with large staffs and a great volume of experience and data may opt for an in-house feasibility study. Small institutions have neither the internal resources nor the experience to make a valid appraisal of their chances of attaining whatever target they may have contemplated. An uninvolved expert is in a far better position to render unbiased and unemotional judgements.

Of the survey respondents who either had recently completed or were currently in a major campaign, 66.5 percent of the private institutions and 76.9 percent of the public institutions had undertaken a feasibility study conducted by outside consultants. Private institutions most commonly initiated the study 12 months before the planned start of the campaign, while public institutions started earlier—about 15 months before the planned start of the campaign. This pattern held across all sizes of institutions, private and public. The decision to use a consultant should be made by the board, based on the recommendations of the professional staff.

One of the questions to be answered in campaign planning concerns the relationship of the capital-funds effort to the annual effort. Some boards elect to concentrate on the capital effort and let the annual program drift, intending to reenergize it upon completing a successful capital drive. Such rejuvenation sometimes proves to be a major task. Recently, many institutions have blended the two in a "double ask" campaign, with operating and capital funds included in the goal. In this approach, all donors are asked to continue annual giving for operations at the same or an increased level during the campaign period. Once, during the overall campaign, they will be asked for a major gift.

Experience has shown that donors quickly grasp the idea of a unified campaign and are not confused by the simultaneous conduct of two campaigns under two different campaign structures. Among survey respondents, 59.7 percent of the

private institutions chose the unified campaign with success, while most of the others stayed with the capital-funds-only scenario.

Among public institutions, 56.4 percent indicated adoption of the unified campaign, 38.5 percent a capital-funds-only campaign, and 5.1 percent an operating-funds-only format.

The board should decide which approach to use after a full discussion with the professional staff and the feasibility consultant, if one has been retained.

Determining the Needs

Whether for the annual operating funds campaign or for the major capital drive, a needs list should be prepared. This specific declaration of need is often missing in annual campaigns. Such an oversight misses an opportunity to highlight differing operating needs from year to year and to freshen a campaign that may have become too familiar to donors. A simple needs list can help give the annual campaign focus.

A needs list is not an open-ended wish list. Not every dream can be included; reality must come into play. Facts should dictate whether every item is included on the list, because such justification will be needed to support the solicitation effort. Priorities must be set. Probable costs of each individual need must be estimated on something more than a casual basis. The attractiveness to donors of various gift opportunities must be weighed. There is no call to back away from needs that may have a lesser appeal to donors. But added features may be required in packaging such items to provide a stronger appeal. Balance is required: There should be something for everyone who might be moved to give to the institution.

The final list should be consistent with the long-range planning of the institution. Compiling and polishing the needs list is no small task. But a properly prioritized, balanced, and clearly supportable needs list is at the heart of campaign planning.

Who prepares the needs list? Survey responses indicate that the president has the major responsibility as well as the dominant input, always with a pragmatic eye on the findings of the feasibility study. The vice president is also heavily involved. But the president is in prime position to judge total institutional needs, acting as negotiator and arbitrator among contending claims for the funds, particularly among the faculty. The executive and development committees of the board are substantially involved in preparing the list, as are other board committees, each in its own area of oversight. And the faculty, of course, has its own input that must be considered. In its final form, the needs list will be presented to the entire board for consideration and adoption.

A somewhat different situation exists in public institutions. Beyond student tuition and fees, current operations are funded largely by appropriations from government bodies. Physical facilities also are provided through the appropriations process. Thus, the needs list will emphasize "over and above" needs—activities of interest to communities that the institution serves, or endowments not easily pro-

vided via the legislative or taxpayer route.

As in private institutions, the administration should have major input, but it should coordinate its efforts with the supporting foundation, whose task it will be to obtain the funds. Both institution and foundation should clearly and completely agree on the needs. Reports indicate that this has not always been the case and that confusion has prejudiced campaign results.

Requirements for Front-End Money

A front-end investment is required to bring any fund-raising program or campaign into being. Some boards are reluctant to allocate major funds for an untested effort. They opt for a "drip" process, in which only modest funds are provided in the early phase, with the intent that the program will move into a pay-as-you-go mode as it progresses.

This seldom works. If the board and the institution it serves have such little faith in their fund-raising cause, the program should not be authorized in the first place. Successful fund-raising requires faith, hard work, and an adequate financial investment from the start. This is no time for a wing and a prayer.

Front-end funds are required to step up the public-relations efforts and blend them into a specific campaign profile, to add staff, to build constituency enthusiasm to a level consonant with the level of financial support sought, to identify and research additional prospects, to prepare and distribute compelling literature, and to expand travel budgets.

There is no reason to be profligate, however. The early investment budget can be carefully prepared to dovetail to the continuing development activity, and expenditures should be controlled against this budget. But the early money is needed if the program or campaign is to be strong and successful.

Some of the investment may be required a year or two before the kickoff campaign. It takes time for a new staff to settle into position. Public-relations programs take planning, and planning takes money. The feasibility study must be funded. The early investment may equal half or more of the year's ongoing development budget.

Such front-end appropriations may be charged off in several ways. Some financially solvent institutions with sufficient and available reserves will charge these costs to current operations and let the budget absorb the expenditures as they occur. Others choose to aggregate the exceptional expenses incurred as a result of campaign start-up and amortize the total over a period of years, usually the period of the campaign. And some institutions will include a bit of both.

Whatever the method, it should be set up and approved by the board at the time of front-end appropriation, so that all parties are aware of how the charge-offs will affect the budget of the institution.

The Case Statement

The case statement is the central, definitive document that presents the purpose, scope, and justification of a fund-raising effort. The statement should anticipate and answer the questions of the prospective donor: What is the purpose of the campaign? What are the goals, and how are they justified? Why does the institution deserve my support? Why now? How can I give, and how will my gift be used? What assurance do I have that my participation is really important to the success of the undertaking? The answers to these questions should relate to the stated mission and the plans of the institution.

Beyond presenting a compelling case to prospective donors, the case statement should clarify issues and strategy for the people who will execute the fund-raising effort. The statement sharpens internal understanding. It forces clear organizational structure. It is the basic training document for all participants, professional or volunteer. It is the bible of the effort.

A case statement should be prepared for an annual-fund effort as well as for a major capital campaign. The statement for the annual-fund effort should be briefer and will require some innovation to vary the approach from year to year. This helps avoid staleness, which can turn off donors. When the decision is made to combine the annual and capital campaign into a double-task effort, both may be included in a single case statement.

The case statement may take many forms. It is best not to mimic the pattern of a successful case statement from another institution, although such statements might provide useful ideas. The final statement should be unique to the institution and should enumerate the campaign's financial goal and a convincing argument for the need. Gift opportunities and how to donate them should be spelled out in detail. The timing of the campaign should be presented. The general pattern of the campaign organization may be displayed, and the leaders of the drive identified. Methods of solicitation may be covered, so that donors know what to expect. And the statement may carry endorsements from respected people who are well informed about the needs and goals of the campaign.

An early draft of the case statement can be a useful base for the feasibility study. Such studies test the receptiveness and probable response of the donor constituencies to the institution's quest for support. The reaction of a sample population in the study is a key indicator of attitudes, perspectives, and intent to give. The findings of the feasibility study may indicate the case statement needs to be modified to make it more understandable and compelling to prospective donors.

The case statement usually is prepared by a professional staff member who is a good writer. But faculty, trustees, administrators, alumni, and community leaders, as well as the professional staff, all should contribute. The president will have the central role in determining the final content and form of the document, because he or she best understands institutional needs, the constituencies to be approached,

and the strategy of approach. The final document should be discussed and approved by the board to ensure full understanding and to prepare trustees as they assume their own role in the fund-raising effort.

Setting the Budget

Although trustees need not be involved in the details of preparing the budget for the fund-raising program, they should be familiar with some figures if they are to exercise good stewardship. What is the total cost of the fund-raising program and of the campaigns? How do these figures fit into the institution's total budget? How do these expenditures compare with the experience of other institutions?

Unfortunately, the way such costs and returns are recorded by the higher education community vary widely and preclude precise comparisons. Some institutions include only the costs of the development department, because these are directly related to bringing in the money. But public relations, government relations, and alumni relations also contribute to the success of fund-raising. The president spends a great deal of time on fund-raising tasks. This is a cost, but presidents do not keep time sheets and never will, we hope. What portion of the total cost is related to soliciting operating gifts and what portion to the capital campaign? The attribution of costs to the fund-raising program will always be a fuzzy area.

In an attempt to clarify reporting procedures, the National Association of College and University Business Officers (NACUBO) and the Council for Advancement and Support of Education (CASE) have issued recommendations for a common format for fund-raising costs and returns. As this format is increasingly adopted, institutions and their trustees will have far better information on their own fund-raising activities and will be able to make meaningful comparisons with other institutions. To the extent possible, the NACUBO-CASE format has been used in the analysis and conduct of this AGB project. But all is not yet precise, and any figures given in the following paragraphs should be considered indicative only.

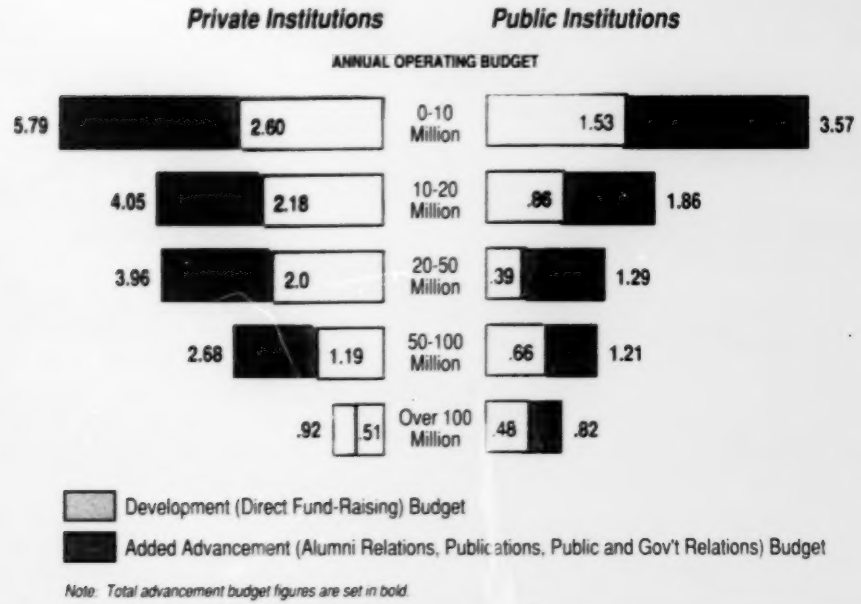
Survey returns indicate that direct development-department costs in private institutions run from about 2.6 percent of the total operating budget in the smallest institutions down to 0.5 percent in the largest. If the other advancement costs of alumni, public and government relations, and publications are included, the total advancement figure runs from 5.8 percent in the smallest institutions to about 0.9 percent in the largest. These figures are quite stable across the population of respondents (see Figure 4).

The returns from public institutions put their costs at a bit less than one-half of those reported by private institutions in terms of percentage of operating budget. This is expected, because their operating budget is heavily weighted toward appropriated funds.

Most of these development and advancement costs are basic costs underlying the

Figure 4

ADVANCEMENT BUDGETS AS PERCENT OF TOTAL OPERATING BUDGET



Note: Total advancement budget figures are set in bold.

continuing fund-raising program and are incurred whether or not a major campaign is in progress. The real added costs of a major campaign are nominal, according to survey respondents. Some staff probably will be added for the campaign—respondents report a 34 percent to 41 percent increase. Personnel overhead goes up a comparable amount. Travel, publications, and "events" costs rise. But today's fund-raising programs require extensive travel, publications, and events on a regular basis between campaigns.

Thus, from a practical standpoint, in a balanced fund-raising program, the added costs of a campaign may appear as a periodic blip in the total fund-raising budget rather than as a major escalation. This emphasizes the point made by many successful professional fund-raisers that the real campaign goes on constantly, with certain periods designated as "campaigns" during which the results of the continuing cultivations are harvested.

Approving the Goals and Schedule

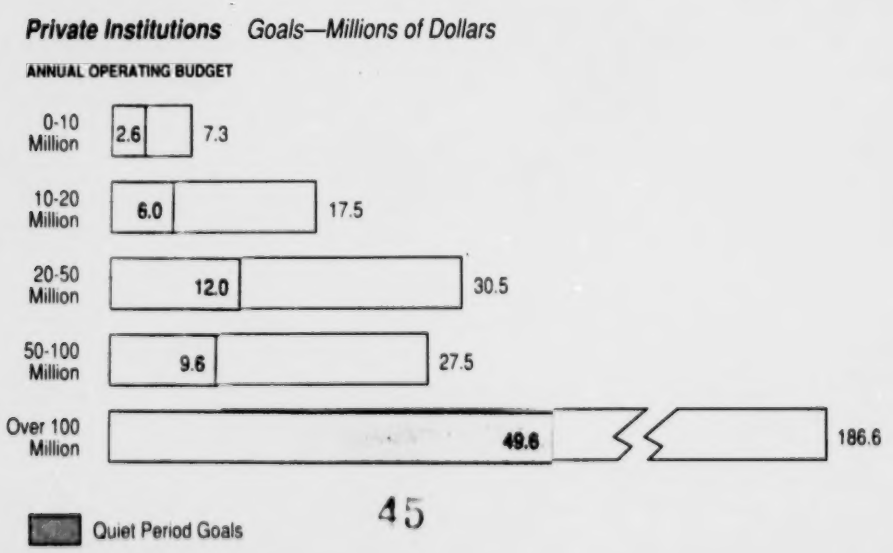
The campaign goal should be set by the board, based on the needs of the institution, and modified by the findings of the feasibility study. (See Figures 5 and 6 for the campaign goals of respondents to the AGB survey.) In setting the goal, it may be well that "a man's reach should exceed his grasp." But cooler heads will understand that it is easy to raise goals as campaigns prosper but awkward and embarrassing to cut them back.

When setting the total goal, the board must consider the probable source of gifts and set subgoals, establish the timing of the major campaign and its phases, determine the length and purpose of the "quiet period," and most important, set the goals for trustee giving. Each institution has its own pattern of constituent support upon which to base estimates. Some general ground rules for comparison may be drawn from the source statistics presented in Chapter 2. It bears repeating that these figures can furnish some guidance in goal setting but should not be regarded as a formula for goal composition.

The most common length of a major campaign among private institutions is five

Figure 5

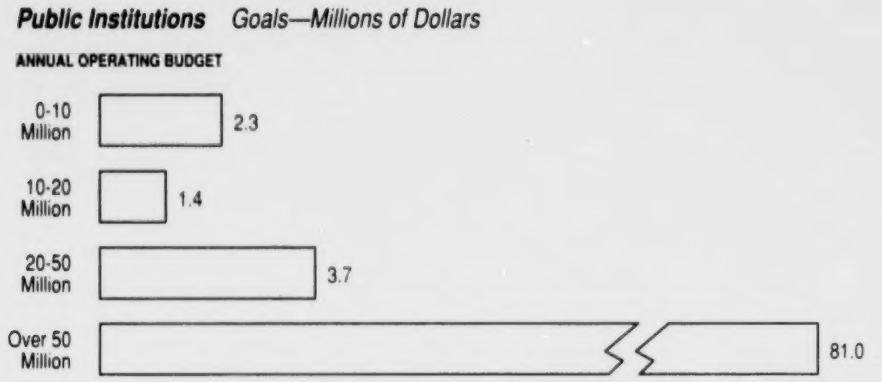
MAJOR CAMPAIGN GOALS



45

Figure 6

MAJOR CAMPAIGN GOALS



years, with a mean of 4.8 years. Public institutions lean toward shorter campaigns; the mean is four years. Small institutions lean slightly toward short campaigns, while large institutions lean toward long ones. But for the overwhelming majority of institutions, four to five years has evidently proved to be a good, workable campaign term.

The "quiet" period is the time when a nucleus fund is gathered as a launching base to inspire donors once the campaign is announced or "goes public." But there is more to it than this. Based on the ease or difficulty encountered in soliciting support during the quiet period, the campaign goal may be modified up or down before it is announced to the public. It acts as a reality check on the feasibility of the campaign goal.

Other findings as a result of the quiet period may relate to the appeal of the various gift opportunities, the credibility and reception of the case statement, or the nature of the giving instruments. Whatever, the campaign can be given final definition and polish as a result of the quiet period.

Goals for the quiet period ranged from 25 percent of the campaign total to more than 50 percent, according to survey respondents. The average across all institutions, private and public, was 35.5 percent. Some institutions stretched the length of their quiet period until the goal was reached. Some went public with the

campaign on schedule, and though they had not achieved the quiet-period goal, achievement looked promising. All institutions appear to support strongly the quiet-period concept.

Last, and perhaps the most important, the board should set goals for trustee giving. The old rule of thumb that trustees should provide 25 percent to 33 percent of the campaign total appears to have been modified, or perhaps it never was universally true. But trustees still provide a disproportionate share of the funds raised (see Figure 7).

Although Chapter 5 covers this topic in greater detail, 40.9 percent of the funds raised by private institutions during the quiet period and 16.6 percent of the campaign total have come from trustees, according to respondents who have completed campaigns within the last five years. When the giving of institutional and foundation trustees to public insitutions is combined, trustees contributed 20.5 percent of the funds raised during the quiet period and 15.8 percent of the campaign totals. Indeed, trustees are the spark of the nucleus fund drive and so of the whole campaign.

Organizing the Board

The standing board organization appears adequate to discharge trustee responsibilities during the annual drive for operating funds. A major capital campaign, on the other hand, calls for new structures of board fund-raising activities and heightened emphasis on many of the standing functions.

In private institutions, the president, as the chief fund-raiser, spends a bit less than 30 percent of his or her time fund-raising, according to survey respondents. This increases to 50 percent or more of the president's time during a major campaign. During a campaign, the board chair assumes a much more visible role in fund-raising and should be the driving force in generating trustee gifts and monitoring trustee activity. The time spent by the board chair will increase dramatically and must be considered in arranging personal schedules.

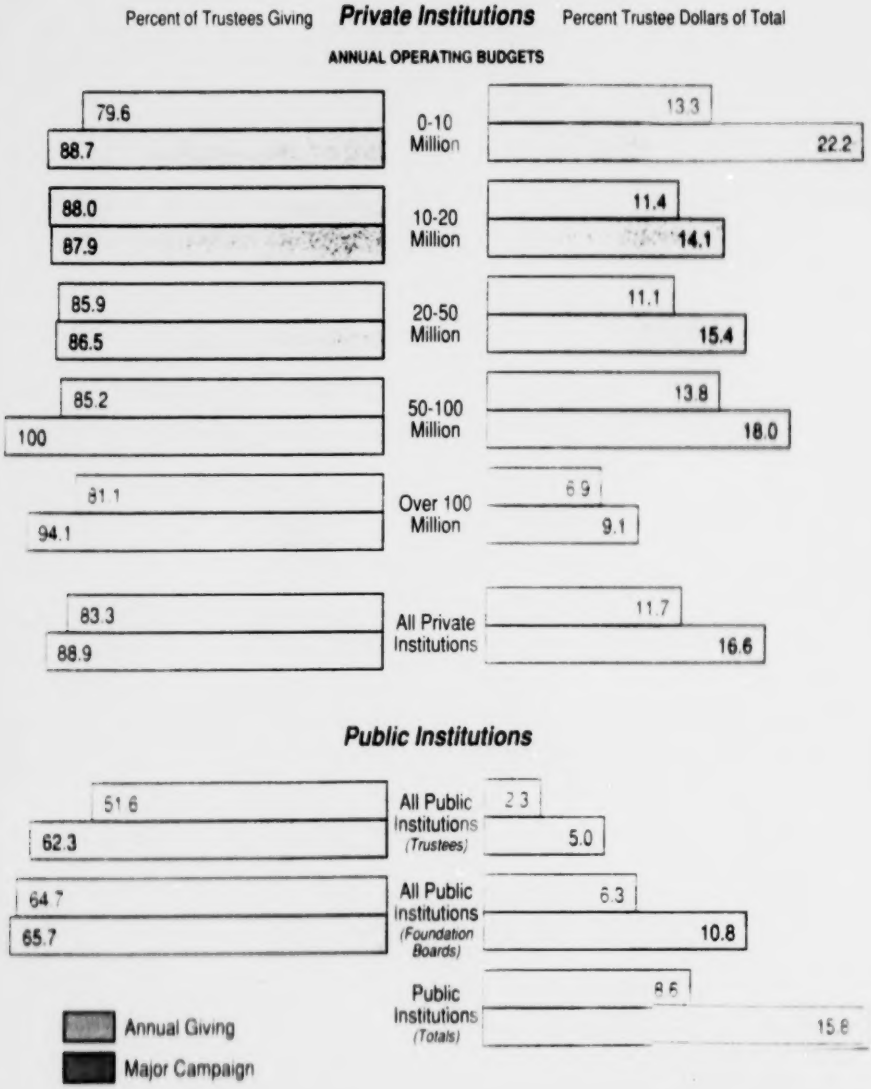
In public institutions, the foundation takes much of the load off the president, but he or she nevertheless routinely will devote about 12 percent of his or her time to fund-raising—more during a major campaign.

More than two-thirds of the responding private institutions have established a separate campaign committee to undertake overall campaign leadership. This campaign committee usually includes trustee and nontrustee members, who may represent specific donor constituencies. Most of the rest of the institutions have left the leadership of the campaign in the hands of the development committee, which often is strengthened by the addition of nontrustee members. Public institutions also like the heightened focus provided by a special campaign committee, with 71.8 percent opting for the special committee.

Large public institutions with small institutional board membership either opt

Figure 7

TRUSTEE GIVING



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for a campaign committee of trustees, nontrustees, and foundation board members, or they leave primary leadership of the campaign committee in the hands of the foundation. Small public institutions, evidently still feeling their way in substantial fund-raising programs, have established a variety of leadership patterns, with only one-third establishing a special campaign committee. Whether as members of a special campaign committee, a development committee, or a foundation board, the board's leadership should be clearly reflected in the campaign organization.

Most institutions—private and public—conducting a major campaign establish a group of committees under the campaign committee or the development committee. Each of these committees attends to the interests of one of the main constituencies—an alumni committee, a parents committee, a student committee, a committee on corporations and foundations—and each has direct professional staff support. A major gifts committee also inevitably is appointed.

Except for the committee on corporations and foundations and the major gift committee, these constituency committees may do little individual direct solicitation. They are primarily inciters, drum-beaters, and enthusiastic advocates. They prepare the way for solicitation by others. Trustees should be among the members of these committees to spread the perception and the reality of trustee support and participation in all aspects of the campaign.

Because of the special nature of corporation and foundation development and solicitation, the committee on corporations and foundations will operate as much more of a closed shop, working closely with professional staff and with certain trustee and nontrustee advocates who are knowledgeable in the area and have a rapport with the executives of the prospect organizations. Committee members will take on individual cultivation and solicitation assignments. This committee usually has a priority call on the services of any trustee capable of advancing the institution's case with any prospect organization.

Experience shows that about 90 percent of the funds will come from fewer than 10 percent of the donors. For this reason, a major gifts committee should carefully cultivate and solicit major individual donor prospects. For obvious reasons, the major gifts committee will also function as a quiet, confidential, closed shop. Members will be on call to undertake individual cultivation and solicitation assignments. In these efforts, the professional staff will team with the responsible trustees.

Regardless of the pattern of board organization and individual trustee assignments, someone has to monitor the performance. Schedules must be met, and some trustees may find themselves overloaded to the point that some reassignment is required. Some trustees may not perform well in their assigned tasks. If so, a graceful shift should be made as soon as possible. Time runs on, and trustees must perform. In all of this, the board chair, with the counsel of other trustees as well as the professional staff, should be the performance manager and see to it that corrective measures are taken in a timely manner.

The board actions covered in this chapter may seem obvious, especially to trustees of institutions that have completed successful campaigns. But the record shows too many institutions have rushed innocently into campaigns without such procedures, only to suffer once the activity is under way. The inventory of "war stories" of experienced consultants and advisers is replete with tales of eleventh-hour pleas for help to straighten out tangled activities or control the damage in the midst of a campaign. To prepare well is the best guarantee of success.

TRUSTEE GIVING—AND OTHER TASKS

ONCE THE BOARD ACCOMPLISHES ITS PLANNING AND PREPARATORY ACTIVITIES, individual trustees assume their roles as volunteer and mandatory donors. Although other tasks are important, the trustee's gift is paramount. All trustees are expected to support their institution through personal giving, each according to his or her means. This message has been passed in countless publications, seminars, and speeches, as well as in the private precincts of the boardroom. Yet some trustees do not seem to hear the call.

Private institutions reported an average trustee participation of only 83.3 percent in annual giving and 88.9 in a full campaign effort. More than one in ten trustees dodged the responsibility.

Public institutions reported an average participation of 51.6 percent of their institutional boards and 64.7 percent of their foundation boards in annual giving. In a major capital campaign, an average of 62.3 percent of public institution trustees and 65.7 percent of foundation trustees answered the call—somewhat faltering support. Although a great many institutions reported 100 percent participation in annual and capital efforts, others reported 50 percent or less. The requirement clearly has not been accepted by all trustees.

The Critical Importance of the Trustee Gift

There are at least two good reasons for every trustee to give. First, good board members must have faith in their institutions, and personal giving is a strong demonstration of this attachment. If trustees decline to participate, there is reason to ask if they deserve a place in the boardroom. Second, especially in a major campaign effort, prospective major donors want to know that the board is fully behind the effort and has demonstrated its enthusiasm by unanimous personal giving. If a trustee fails to give, why should a major donor be motivated?

To move into a campaign without full board participation is to hamper the prospects of success right at the outset. This axiom holds for private, public, and

foundation trustees.

An initial step is to set a goal for trustee giving. The feasibility study is a guide, because trustees will have been among those interviewed. More important, the board itself or at least some members of the board, including the chair, should have a fairly good idea of the giving potential of each board member.

The actual results of trustee giving as reported by survey respondents provides a useful base for comparison. Among all reporting private institutions, an average of 83.3 percent of the voting trustees gave 11.7 percent of the dollars for the annual fund. In the major capital campaigns, an average of 88.9 percent of the trustees gave 16.6 percent of the dollars (see Figure 7). Most trustee contributions came during the quiet period and provided an average of 40.9 percent of the quiet-period dollars.

Interestingly enough, these figures held relatively stable across all sizes of institutions, except for a noticeable tailing off of the dollar percentages in the larger institutions, where campaign goals outrun the capabilities of the trustees to match the same percentage as in smaller institutions. The figures of individual institutions within each size group varied considerably and will be discussed later.

Public institutions report that in annual giving an average of 51.6 percent of the institutional trustees provided 2.3 percent of the money and that foundation trustees participated at an average rate of 64.7 percent and provided 6.3 percent of the dollars for a combined total contribution of 8.6 percent of the dollars.

Although the statistics are a bit sparse from here on, they suggest that during a campaign, 62.3 percent of institutional trustees joined with 65.7 percent of foundation trustees to provide 15.8 percent of the campaign total; this last figure is comparable to private trustee giving. During the quiet period, however, the combined public trustee bodies provided only 20.5 percent of the campaign goal. Again, trustee performance tailed off for large institutions with high dollar goals.

Each institution and each board has its own unique giving potential and should not be overly bound by the experience of other insitutions. Some simply will not have the giving capability to reach the foregoing average figures. Others will have a capability far in excess of these averages and should exploit their fortunate position. In any case, the trustee goals should be optimistic, but not so high as to turn off the trustee donors at the very start.

Orientation in the Giving Requirement

Trustee largesse can be enhanced by a conscious effort to advise them of their giving responsibilities when they are recruited and during orientation. Too often, the requirement to give is omitted or mentioned only in passing when the portfolio of trustee tasks is discussed. There appears to be a fear that such a bluntly stated requirement will turn away an otherwise good board member prospect. But there is no "otherwise." A trustee is expected to give, and candidate trustees should be so

advised.

Once on the board, there are some active measures that can be programmed. Assignment to a role in the annual campaign can raise a trustee's awareness of the fund-raising program and his or her responsibilities in it. Attending meetings of the development committee as an observer can help. Being provided with some educational literature or a seminar on fund-raising by the development staff may be scheduled as a part of the general trustee-orientation procedure. Whatever the process of raising trustee consciousness, it should be personalized, so trustees will not be surprised when the call to give is made.

Solicitation of Trustees

Given the central importance of trustee gifts, two points are clear: First, trustee solicitation must be well organized to achieve maximum returns. Second, each trustee should be accorded the courtesy of being treated as an individual donor and not merely as a member of a mass giving group.

No general call for funds or fervent exhortation from the board chair can rouse trustees to give to the hilt. Trustees, too, are individuals and, along with all major prospects, should expect personal attention. Each trustee has a personal economic situation, certain gift opportunities that appeal, and specific notions as to the preferred method of giving. The solicitor should determine such personal desires and, working with the trustee, develop the means to accommodate them. Not only does a personal approach enhance the trustee gift, but it also extends the respect and courtesy each trustee deserves.

The models for trustee solicitation given by responding institutions vary considerably. Some appear crisp and refined. Others are much more casual. Some verge on haphazard. Private institutions regularly cite the importance of the board chair, the president, the chair of the development committee, and less often the chief development officer in trustee solicitation. Public institutions turn much of the task over to their related foundations, with the exact pattern of the solicitation process not clearly identified in the survey returns.

As a rule, most institutions rely on the board to look after its own giving, with some help from the president and the professional staff. This is entirely proper; if the board is not capable of performing this task, it is doubtful whether it can provide the leadership and support required for the full campaign.

Many successful institutions, public and private, give the task to the development committee or to a specially appointed trustee solicitation committee. An advantage of the latter is that key trustees who do not sit on the development committee but who have considerable giving potential and are highly regarded by their peers are brought into the effort. Respected trustees who are known to be ready to provide a major gift have great psychological leverage with other trustees. Whether solicitation is done by the development committee or a special committee,

individual assignments should be made and schedules set. Although committee members will do most of the solicitations, there should be no hesitancy to ask other trustees or nontrustees who have ties to the donor to help.

For some trustees, as with any major prospect, a brief proposal may be developed. The proposal should, among other things, clearly delineate the method of giving. Cash is always important, but a longer term pledge may enable the trustee to raise his or her sights. Deferred giving is an important way to stretch the size of the commitment. Contributions to pooled income funds, annuities, and estate notes can offset the fear of loss of needed income in the years ahead. The ultimate objective is to construct a method that will encourage the trustee donor to stretch to the maximum prudent limit in reaching for the personal satisfaction and fulfillment that come to the major donor.

The early public announcement of the magnitude of trustee giving, unless it is disappointingly low, can serve as a powerful incentive for others to give—an incentive that can hold for the entire campaign. What's more, as the campaign races toward a successful close, trustees often add to their original gifts in the excitement of the finish.

Once the matter of the personal gift has been discharged in exemplary fashion, the trustee, as a leader in fund-raising, is ready to move on to other tasks.

Identifying and Qualifying Prospects

Trustees should know people who are capable of making major gifts and who have interests that make them likely candidates to support the institution. The identification of such prospects is one of the first tasks for the trustee as a volunteer. Some trustees shy away from such identification of prospects, because they feel they are "putting the finger on a friend." This is nonsense. If trustees are enthusiastic about their institutions and already have committed financial support (as should be the case), there is every reason to offer the same opportunity for personal excitement and fulfillment to others.

But trustees are not very helpful in this regard. Private and public respondents alike report that only a shade less than 40 percent of their collective trustee body contributes in a meaningful way to the identification of prospects.

This shortcoming may be due to the way prospect identification is approached. It does not suffice simply to ask each of the assembled trustees to jot down the names of possible prospects. The only way to construct a truly credible list is to sit down with each trustee and, in sometimes lengthy discussion, extract the names of prospects and their qualifying circumstances. The chair of the development committee or of the special campaign committee may conduct this exercise, possibly with assistance from other trustee committee members. It might be useful for members of the professional staff to join in the discussions, for they understand the nature and importance of the prospect qualifying factors.

To repeat: A prospect name is not enough. There must be reasons the prospect is seen as one worth cultivating. Qualifying factors include a valid perception of the financial capability of the prospect, of any current situation that may encourage or inhibit the feasibility of gifting, ties to the institution or existence of parallel interests, possible avenues of approach, and personal contacts. Additional research into the prospect's situation and the judgement of others who are familiar with the prospect's status also may be valuable. If such a qualification process is well done, a great deal of unproductive activity can be avoided early in the program.

Cultivating Prospects

The cultivation of major prospects must be carefully planned and controlled. Horror stories abound on tangled cultivation activities that diminished or canceled an otherwise promising gift. The most common procedure is to assign the planning and direction of major prospect cultivation to a major gifts committee composed of key trustees, the president, and senior development staff. This holds for private and public institutions alike.

A strategy for approach and cultivation, however brief, should be developed for each prospect and approved by the committee. In many institutions, each prospect is assigned to a committee member to monitor even though that person may not be a member of the cultivating team. Strong professional staff support is required throughout this process.

The strategies of cultivation vary widely according to the individual situation. A guiding axiom is that "people give to people." The purpose, then, is to build on existing bonds and develop personal rapport with new prospects. Once this personal conduit is established, the institution's interests can be presented and the gift solicited. One or more cultivators may be involved, and nontrustees often are brought into the process, as well. The president almost certainly is involved at some point when dealing with a major donor prospect. Some graceful shifting of cultivators sometimes is necessary. Such cultivations must be planned, schedules for accomplishment set, and the results tracked. In all of this, the professional staff usually monitors the activity.

Cultivation of major donors should not be a rushed process, even though the cultivating trustee may feel a crushing urgency. Several successful trustee fundraisers advise cultivators to "go with the flow," seizing each opportunity to advance the cause without applying undue pressure. Most important is discerning the right time to make the "ask."

The "Ask"

Major prospects are not stupid. They sense the purpose of the cultivation, no matter how graceful the approach may be. They know that at some point they will

be asked to make a gift. The very fact that they have allowed the cultivation process to proceed speaks to a growing interest in the opportunity. But when to ask?

The trustee can err in asking too late as well as too early. The objective is to reach closure with the donor at the moment of peak enthusiasm. Past this point, donors' interests can grow stale, and they may even approach boredom. A small gift is made just to close out the action.

During the cultivation, the trustee and his or her helpers will have developed an increasingly firm understanding of the donor's prime interests and of the probable magnitude of the gift. Some notion of the probable best giving method will appear during the cultivation process. When the donor's questions become fewer, it is time to move for the closing. If the president has not already been brought into the picture, now is the time to inject his or her presence to cement the relationship.

The proposal, which should be in writing, should be carefully tailored to a specific interest of the donor. It should reflect his or her attitudes and beliefs and be couched in familiar terms. If the methods suggested for donating the gift are complex, some legal guidance might be necessary. Nothing in the proposal, in statement or implication, should go beyond the institution's ability to comply with the terms of the gift. This is no time for exaggeration or flights of fancy. The actual proposal probably should be prepared by the professional staff. If not, the staff should always review and concur with it.

More than one institutional representative usually should be present at the closing of a major gift. Thirty-two percent of the responding private institutions and 47.6 percent of the publics in the AGB survey report that in addition to the main cultivator or solicitor, the president or a senior staff member *always* attends such a meeting; 38.1 percent of privates and publics state that one or the other of these executives *often* is present. Unless the circumstances are most unusual, it would seem that the presence of the president or a senior staff member adds proper ceremonial weight to the occasion and firms up the institutional intent to continue the ties with an important donor.

The Follow-Up

A hearty "thank you" and the attendant ceremony is not enough for a major donor. The memories soon fade. The donor has been told, in words or by implication, that with the gift, he or she is becoming a participant in the ongoing life of the institution. This promise should be fulfilled. Trustees, as governors of the institution, can make the difference: They can place an occasional phone call with a simple message, such as, "I walked through the library today and thought again what a wonderful addition to our 17th century collection your gift made possible." They can write a brief personal letter now and then. Invitations to visit the campus, membership on advisory committees, and personal notices on matters of special interest should be a part of the follow-up program. Most institutions and boards do

all of this very poorly.

Good follow-up activities do not come about spontaneously. They must be programmed. A simple contact schedule, maintained in the development office, will do the job. Reminders can be sent out to individual trustees to contact a specific donor and report successful completion of the contact.

One good reason for this follow-up effort is that it is simply good manners and fulfills the institution's pledge to keep the donor in the family. A second very good reason is that satisfied and happy donors can help cultivate other major donor prospects. And the happy donor may well be inspired to make a second or third major gift.

THE FINAL SCORE

THE BASIC QUESTION TO ASK IN SCORING THE CAMPAIGN IS, "DID THE CAMPAIGN reach its goal?" According to the reports of responding institutions, private and public, the vast majority reached or surpassed their campaign's goal. Some surpassed it by 25 percent or more, which indicates a most dedicated effort or, perhaps, an underestimation of potential. Some raised their goal in mid-campaign as the campaign prospered. Some extended their campaign period modestly during the stretch run. Undoubtedly, some creative bookkeeping in recording gifts took place in a few instances.

Regardless, it would appear that to state a campaign goal is to be well on the way to success. A vast amount of private funds is available, together with people and organizations that want to support deserving institutions. And they will maintain this flow if approached at the right time and in a thoughtful and constructive manner. This is what a continuing fund-raising program is all about.

Details Behind the Achievement

The development program continues. There will be future campaigns. Trustees will still be the leadership group.

Boards should always evaluate their own performance and that of programs they initiate or authorize. Evaluating what happened during the campaign—major or minor—is crucial, because underlying the overall success of a campaign are outstanding performance in some components and lesser performance or outright failure in others. These should be known so the continuing fund-raising program and the next campaign can be well planned and well executed.

As noted earlier, institutions are not very good at recording development data except for the final gift score. They may have a subjective evaluation of what worked and what did not work, but supporting figures are difficult to come by. This is an unnecessary omission. With computers, it is easy to establish and maintain a campaign data system that will provide a sound base to analyze the effort. If such a

system is not in place, boards should insist that one be created.

Constituency performance is important—not only in terms of accomplishing the goal but also to determine the profile of gift size, tendencies as to donor characteristics and location, and the preferred means of "gifting." Because each institution has unique potential to attract donors, the goals set by the institution should provide the baseline comparisons, guided in varying degrees by the accumulated experience of similar institutions.

For example, the alumni gift component will vary according to the historical time in which an alumni body has developed, the economic capability of the alumni body, the research expended in identifying special alumni prospects, and the time and effort expended in developing the alumni gift program. Illustrative of these variations, the figures of alumni giving among respondents vary from less than 5 percent of the total dollars raised to more than 50 percent. Averages have little meaning in attempting to evaluate a specific institution's alumni giving performance, but for the curious, private institutions reported alumni gave about 20 percent of the total dollars, while public institutions reported about half that figure.

Solicitation methods also should be subject to scrutiny. What personal approaches at what level were most productive? Was the direct-mail approach worth the cost and effort? How productive was the general volunteer effort, and did the management required drain staff effort needed elsewhere? The evaluation of solicitation methods will be based on subjective judgements to a considerable degree, but numbers can be recorded that will contribute to the analysis.

Not to perform such a performance analysis of the campaign is to discount the lessons of experience and so be vulnerable to the errors of the past in future fund-raising efforts.

The Cost of Funds

The actual cost expended for each dollar raised is a key performance index, but the hard figures are elusive. Institutions record and attribute costs differently, with varying precision and different philosophies of attribution. However, recognizing these factors, the size of the survey respondent population, both overall and in many of the subgroupings, is sufficient to justify presentation of the figures as general norms.

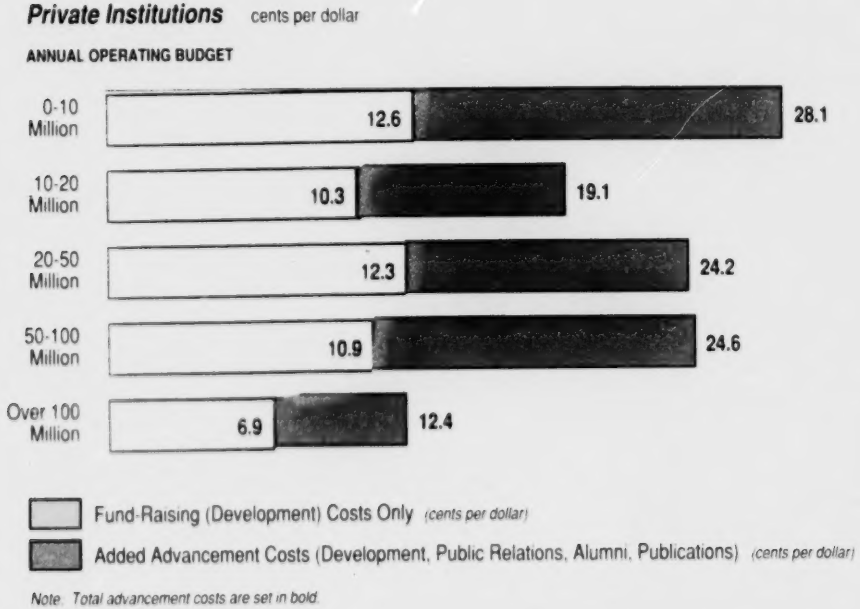
Among private institutions, the average percent of the annual operating budget spent on "hard core" cultivation and solicitation—that conducted by the development department or an equivalent office—varied from 2.6 percent for small institutions down to 0.5 percent for large ones. Adding the other advancement costs for alumni relations, public and government relations, and publications, the percent of operating budget rose to 5.8 percent for the small institutions and 0.9 percent for the largest. Both absolute figures and trends were quite stable among responding private institutions (see Figure 4 in Chapter 4).

Among the public institutions, the percentage of the operating budget expended for the core development or fund-raising function ranged from about 1.5 percent for small institutions down to a bit less than 0.5 percent for large ones. Total advancement costs also were considerably lower, ranging from 3.6 percent of the operating budget for the smallest down to a bit more than 0.8 percent for the largest (again, see Figure 4).

What was the rate of return on these expenditures? The data submitted by private institutions indicates that on average, hard-core development cost 8.6 cents per operating and capital dollar received during the year. This ranged from 13 cents for small institutions down to about 6.9 cents for the largest. Total advancement costs averaged about 22 cents per dollar received, ranging from 28 cents for the smallest down to 12 cents for the largest. The institutional variance was most noticeable among the small institutions, some of which indicated a total cost of more than 50 cents per dollar raised (see Figure 8).

Figure 8

COST OF FUNDS RAISED



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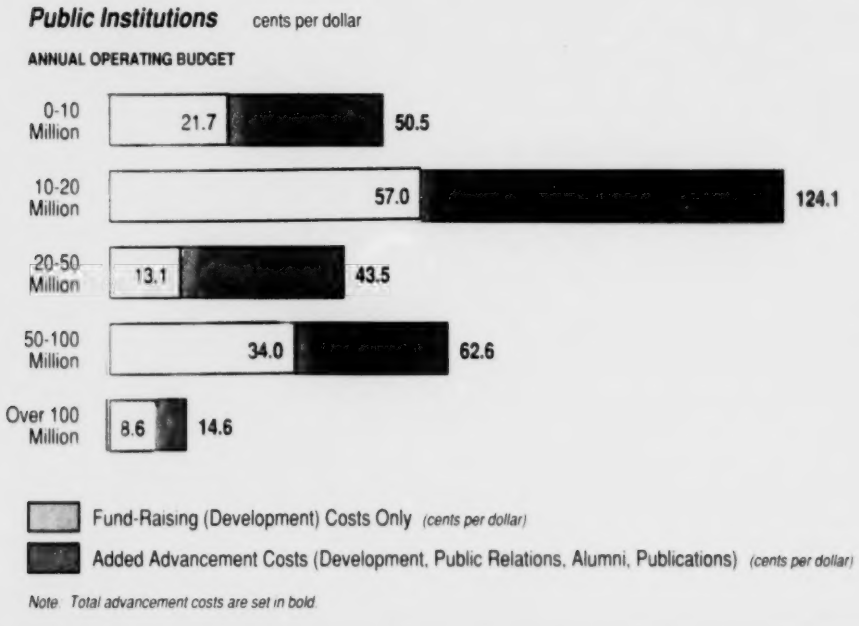
Recognizing that expenditures for alumni relations, public and government relations, and publications serve other purposes as well, the true cost of funds raised would appear to be somewhat less than the total advancement costs, with any more precise determination subject to the program patterns of the individual institution.

The interests and objectives of public institutions are somewhat different from those of private institutions insofar as their broad advancement programs are concerned. The few hard data submitted indicate that the core-development expenditures bring about the same returns as do those of private institutions, both overall and by size of institution. Total advancement expenditures, which can be grossly misleading, show an average cost per private dollar received of about 21 cents, ranging from more than 50 cents in small institutions down to a bit less than 15 cents in the largest. In between, we note considerable variation, perhaps owing to the relatively small size of some survey subsamples of public institutions (see Figure 9).

Figure 9

COST OF FUNDS RAISED



Note: Total advancement costs are set in bold.

This misleading, apparent escalation in total advancement costs per private dollar received reflects advancement programs that are properly directed well beyond a simple appeal for the private gift dollar. Thus, direct comparison with the advancement cost per dollar of private institutions has little meaning.

By and large, the foregoing cost ratios support the estimates given by knowledgeable experts in the field and the specific experience of individual institutions. They should not be considered absolute performance standards, but they do indicate target areas to shoot for.

Why Are Some Institutions More Successful?

Any attempt to codify or devise precise formulas for success is bound to elicit charges of false assumptions, questionable statistics, improper weightings, and inclusion of irrelevant factors. In large measure, such charges would be correct, given the great variety in institutions, the welter of supporting constituencies with varying giving potential, and differences in fund-raising programs. This project has studiously sought to avoid such a trap.

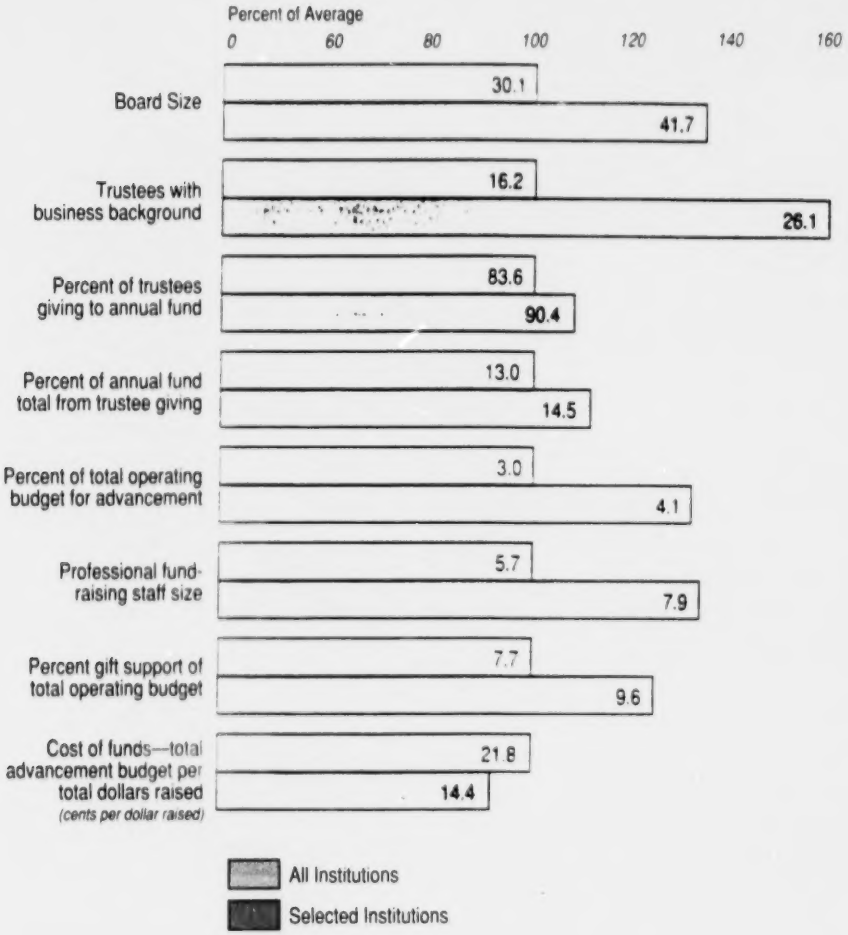
Yet some characteristics of the fund-raising activities of the more successful private institutions bear reporting. As a starting point, the efficiency of the fund-raising process was computed for all private institutions. Efficiency is narrowly defined as the total dollars spent in the campaign mode—not just the incremental dollars associated with the campaign—divided by the total gift returns, both operating and capital. Institutions were then ranked from the most efficient (lowest cost) down to the least efficient (highest cost). Institutions that fell in the top half were then examined for any similar tendencies. This method of selection admittedly is gross, but the results form a coherent pattern.

The distinctive characteristics of the selected private institutions largely support the claims and advice of professional advisers and consultants (see Figure 10). The similarities are as follows:

- In the selected institutions, boards are larger—an average of 41.7 voting members versus an average of 30.1 members for all institutions. There are more trustees who can work and give.
- By a wide margin, the selected institutions have more trustees with business backgrounds. The contacts and know-how exist.
- The percent of trustees who give is higher, and the percentage of the goal that funds donated by trustees provide is markedly higher, both for the quiet period and for the entire campaign.
- The boards of the selected institutions more often establish a separate campaign committee to focus on the effort.
- The fund-raising programs of the selected institutions more often dovetail with their long-range plans, including trustee responsibilities.
- The percentage of the operating budget spent on activities supporting fund-

Figure 10

CHARACTERISTICS OF SELECTED SUCCESSFUL PRIVATE INSTITUTIONS



raising is 10 percent to 15 percent higher among the selected institutions. They spend money to make money.

- The professional staffs are about 20 percent larger—more expert hands to put to the task.
- Among selected institutions, the percentage of the operating budget supported by gift income is 15 percent to 20 percent higher.
- The cost of funds raised by the selected institutions is more than 30 percent less than the average for all institutions—about 14 cents per dollar raised, versus about 22 cents per dollar raised for all institutions.

Although the data submitted by public institutions do not permit a similar analysis, none of the data submitted dispute the pattern exhibited by the selected private institutions.

The characteristics of the fund-raising programs of successful institutions should not be regarded as a model for the guaranteed success of a fund-raising program. But they are certainly worth pondering by board members searching for ways to improve their institution's fund-raising effectiveness.

It has been a long road from the solicitation of private funds by Harvard's founding fathers. Higher education has become one of America's great enterprises. It has an impact on the lives of every American. New cultures evolve. New objectives and methods come into being. Student bodies change. But the need for supporting financial resources remains and grows.

It is trustees' responsibility to see that this support is provided. So affirming, let us be about our business.

THE THREE-PARTY RELATIONSHIP

By William A. Kinnison and Michael J. Ferin

COLLEGES AND UNIVERSITIES—PUBLIC OR PRIVATE, TWO-YEAR OR FOUR-YEAR—are as different as snowflakes, but they all look alike when it comes to money. They need more than they have; to get more demands talent, creativity, and a workable relationship between three principal players: trustees, presidents, and chief development officers.

Our intent is not to articulate a compendium of "rules of the road" governing relationships between these three parties. Rather, it is to describe the three-party relationship in a practical manner using an abbreviated case-study technique. We will focus on incidents where definition and understanding of roles, communication or the lack of it, and plain old human foibles have contributed to fund-raising accidents. Elements of each case are drawn from our collective experience; only the names have been changed to protect the innocent and not-so-innocent.

Bill Pocock covers well the need for clearly defined and clearly understood roles. We heartily subscribe to his dictum that "the chief development officer, as requested by the president, should have access to trustees more frequently and in greater detail than other administrative officers." But we would add that development officers below the rank of chief development officer also should have access to trustees in the same manner, if their duties dictate it.

For too long, the quaint aphorism used to describe trustee involvement in fund-raising was "give, get, or get off." In other words, "give and ask for gifts, but don't mess with the machinery." Nonsense! Our development enterprises are too complex to maintain this naïve position. The board, ideally, represents too valuable a reservoir of skills, contacts, and information not to be used effectively as policy makers and practitioners in the development process.

The Trustee's Partnership Role

1. To ensure that fund-raising efforts align with the mission and priorities of the institution.

2. To monitor the fund-raising operation (budget, staff, etc.) to maximize fund-raising potential.
3. To coordinate trustee activity with the president and chief development officer.
4. To be involved personally in the fund-raising process.

The President's Partnership Role

1. To provide leadership in defining and articulating the college's mission and to set priorities.
2. To forge links between trustees and development professionals.
3. To provide support for trustee fund-raising activities.
4. To be involved personally in the fund-raising process.

The Chief Development Officer's and Staff Members' Partnership Roles

1. To facilitate and enable the trustees' and the president's participation in the fund-raising process by providing information, training, and preparatory work.
2. To provide an effective "teamwork" environment.
3. To translate mission, priority, and need into readily usable case statements and plans of action.
4. To be involved personally in the fund-raising process.

To be successful, the three parties must:

- Desire a relationship.
- Understand their specific roles.
- Work diligently within their roles.
- Have agreed-upon goals.
- Be mutually supportive.

The fund-raising structure and roles of the players usually differ between public and private institutions. Nevertheless, the following are examples of "situations" in which the rules of the road neither were spelled out, understood, nor followed.

- *INCIDENT:* President and chief development officer could not agree on a constituency to be solicited for a small campaign. President insisted that both parties debate their preference at a development committee meeting.
CAUSE: President did not understand that board should not be responsible for operational details. Board should have been presented a coherent agenda and not asked to arbitrate a dispute between two operations officers.
EFFECT: Called into question the president's management ability and undermined the chief development officer's credibility with trustees. Delayed essential fund-raising effort.

■ *INCIDENT:* Chief development officer, having developed a personal relationship with a trustee, used the trustee's influence to procure a major restricted gift to establish a new academic program not called for in the institution's master plan.
CAUSE: Chief development officer overstepped the boundary between his own role as facilitator and role as designer of institutional mission and priorities.
EFFECT: President forced to decide whether to amend the institutional mission and rearrange priorities or refuse the gift and embarrass the trustee. Other decisions might involve termination of the chief development officer.

■ *INCIDENT:* New trustee, wanting to make his mark as a trustee, approached a classmate for a major gift prior to discussing the solicitation with the president and chief development officer. To make the solicitation more palatable to his classmate, trustee offered the chairmanship of the campaign as a gift incentive.
CAUSE: Trustee did not understand role in fund-raising process; the president and chief development officer had not articulated the ground rules. Too few trustees come to the task fully briefed about the intricacies of fund-raising.
EFFECT: Fortunately, the classmate did not accept the chairmanship. Unfortunately, he didn't provide the gift either.

■ *INCIDENT:* New president of a major state university refused to allow "substantial discussion" of fund-raising policy issues during a foundation board meeting. President insisted these policy matters were his province exclusively.
CAUSE: The new president strongly desired to impose his "close to the vest" concept of management on an operation that previously had accepted input from volunteers. Neither the chief development officer nor the board had an opportunity to buy into this management concept prior to the meeting.
EFFECT: Board members questioned their commitment of time and energy, not wanting to be relegated only to operational roles. Foundation board was eventually disbanded, and an advisory committee was formed, with new members cast in inconsequential roles.

■ *INCIDENT:* A longtime president, who had guided a state branch campus through its infancy to maturity, steadfastly refused to become personally involved in fund-raising. It was beneath his dignity, he thought, and he perceived his role as "friend-raiser," not fund-raiser. He stated that fund-raising was the responsibility of the foundation board and chief development officer.
CAUSE: Obviously, the president did not accept the full scope of his position. Many major donors want a relationship with the president; indeed, establishing such a relationship often precedes any substantial support.
EFFECT: The fund-raising operation, forced to produce without the active involvement of the institution's leader, was handicapped.

■ *INCIDENT:* President and chief development officer properly conducted a needs assessment, documented the need for a major campaign, and proceeded to implement a fund-raising program without presenting the matter to the board. Their rationale was that they wanted to "test the water" prior to getting the board involved.
CAUSE: President and chief development officer were unsure that they could sell the need for a campaign. They wanted to prove that nonboard constituents would buy into their view of need, thus putting pressure on the board to accept their vision. They showed a complete lack of understanding of the legal responsibilities and leadership role of the trustees in fund-raising.
EFFECT: This circumvention of board prerogative resulted in key board members becoming less interested in and supportive of the eventual campaign.

■ *INCIDENT:* An eager-beaver trustee constantly telephoned development staff officers, demanding changes in operational matters. She questioned the tone of solicitation letters, the format of reports, and so forth, creating a situation that put staff members in an uncomfortable position.
CAUSE: Although the trustee earnestly tried to help, and her concern might have been well founded, she didn't recognize the need to talk with the president or chief development officer rather than staff members about such matters.
EFFECT: Erosion of staff morale, coupled with costly changes in fund-raising plan implementation.

■ *INCIDENT:* Chief development officer insisted that development staff not be present at trustee development committee meetings nor have any direct contact with trustees. All contact, whether for annual funds, cultivation, or solicitation of donors was to be handled exclusively by the chief development officer.
CAUSE: Insecurity? Perhaps. But ego considerations aside, the chief development officer failed to recognize the importance of the board's confidence in the development staff's capabilities.
EFFECT: The board became less involved in the fund-raising process, only hearing one person's view of the situation.

■ *INCIDENT:* Board, president, and chief development officer deluded themselves into believing all was well. In a continuous round of self-congratulations over increasing, but small, gift-revenue increases, they failed to address the critical question: Are we raising funds to *our potential?*
CAUSE: Failure of all three parties to understand and take seriously their collective responsibility to maximize results to advance the institution's program of teaching, research, and service.
EFFECT: A static institution that might never realize its potential.

■ *INCIDENT:* An institution in which the relationship between the board, the president, and the chief development officer was well documented and well understood. Communications were excellent. However, try as it might to raise significant sums, the board was inadequate to the task.
CAUSE: The board was composed of great people having loyal ties to the institution, but as a group, it lacked the requisite fund-raising capabilities needed to meet its charge.
EFFECT: Obviously, too few funds were raised. However, more important, the inability of the board to meet its financial obligations severely limited institutional aspirations. Unless trustee leadership works with the president and chief development officer to construct a board with documented fund-raising capabilities, institutional success in meeting its mission is severely compromised.

These sketches indicate clearly that success in fund-raising must be a team effort. The team involves the trustees, the president, the chief development officer, staff members, and volunteers. The parts must fit well together and function smoothly. The president, therefore, must clearly signal that he or she favors the close interaction of the chief players and must assign responsibilities to ensure accountability.

The board of trustees is where the fund-raising enterprise starts. It is here that the financial needs as defined by the president are ratified and set as official goals for the institution. If trustees feel uneasy about how and how much money can be raised, they might set goals lower than they should be or need to be. Conversely, if their institutional enthusiasms are not sobered by the facts of fund-raising potentials, they also might set goals that are impossibly high and unattainable.

It is here that the chief development officer's expertise is most helpful. What might seem to the trustee like voluminous and fragmented information can be explained and completed when the development officer cuts through the great mass of detail. This usually occurs most effectively in informal interaction between trustees and the development officer rather than through official meetings and reports. At the same time, the development officer gleans from trustees a broader, more detatched, less doctrinaire view of the institution and its needs to inform his or her own further activity.

THE INSTITUTIONALLY RELATED FOUNDATION IN PUBLIC COLLEGES AND UNIVERSITIES

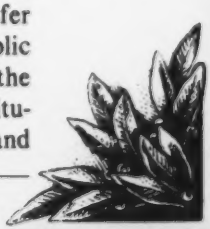
By Michael J. Worth

THE INCREASED ACTIVITY OF PUBLIC COLLEGES AND UNIVERSITIES HAS BEEN ONE of the most prominent trends in higher education fund-raising over the past decade. According to the Council for Aid to Education, private support of public institutions quadrupled from 1976-1986.[1] In 1986, public institutions accounted for one-third of all gifts reported to CFAE's annual survey of voluntary support, whereas a decade earlier the public institutions had accounted for only a fourth.

Although it once was accurate to assume that public institutions were state-supported and that private institutions relied on gifts and other privately generated funds, today's reality is that both categories of institutions aggressively seek and receive support from both sources.

Concomitant with the growth of public college and university fund-raising has been the proliferation of institutionally related foundations. A survey conducted in the early 1980s by Timothy A. Reilley of the University of Wisconsin Foundation identified foundations at 67 percent of four-year state universities.[2] According to the AGB survey, foundations exist at 86 percent of public institutions. Even allowing for differences in the methodology of these surveys, their results clearly suggest continued growth in the number of foundations.

The institutionally related foundation is a private organization, corporately separate from its host university, with its own board of directors or trustees, and has rights and responsibilities defined by law and the foundation's charter. However, the sole purpose of the foundation is to raise, administer, and eventually transfer private gifts and grants to the university in support of its programs. The public university and its private foundation thus work together on the boundary of the private and public sectors, providing an interesting example of American institutional creativity. These relationships are often productive, sometimes troubled, and



always complex.

Organizational patterns for foundations vary, as do those for colleges and universities. In some cases, a single foundation serves a system of campuses. In other instances, each institution within the system has a separate foundation, which might or might not relate to an overall system foundation. A few campuses have multiple foundations, each serving specific schools or even specialized programs, such as athletics or the arts.

The discussion here, however, will be limited to a single-campus institution with its own governing board and a single foundation. For convenience, the terms "college" and "university" are used interchangeably to refer to the institution. Members of the public institution's governing board are called "regents," while members of foundation boards and private-institution governing boards are called "trustees." Actual titles vary among different institutions and states.

Reasons to Establish a Foundation

Three primary reasons exist for establishing a foundation. The first is to provide a vehicle to keep private gifts separate from public funds and to ensure they are used in the manner intended by the donors. For example, in some instances there has been concern that states would reduce appropriations to offset private gifts intended to supplement state funds. Receiving and managing the funds in a private foundation provides a measure of control that can prevent such a result.

Second, as a private organization, the foundation often has greater flexibility than the public university in the investment and expenditure of funds. This might mean that the often-cumbersome state bureaucracy can be bypassed when time is of the essence in seizing an opportunity. Investments or business relationships that would not be prudent or administratively feasible with public monies may be undertaken by the foundation. And income earned by the foundation on its cash flow may be used to support the fund-raising operation or contributed to the institution for educational programs, rather than benefiting the general state treasury. Some states prohibit or restrict the use of public money to pay for fund-raising staff and activities. In such cases, a separate foundation might offer the only way for a public college to raise private funds.

These benefits of the foundation may be of little significance to universities that are constitutionally based or have substantial budgetary autonomy. But there is a third reason for establishing a foundation. It provides a way of recruiting a board of trustees that can focus on fund-raising. Curtis Simic of the Indiana University Foundation calls the foundation board a way for the college or university to "turn insiders into outsiders" and enlist the fund-raising leadership of committed volunteers.[3]

It is axiomatic in fund-raising that successful programs begin with board leadership. The involvement of trustees in giving and soliciting support is the most

significant element of a successful fund-raising program in any institution. Without a board committed to giving its personal support and enlisting the support of others, no college is likely to show impressive fund-raising results.

But governing boards of public colleges are designed to play a role different from that of private college boards, and as a result, their membership might not provide the fund-raising volunteers that the public institution needs. The members of public university boards are politically appointed or, in some cases, elected by the public. There is no assurance that this will result in regents who are personally affluent, influential in the private sector, or interested in fund-raising. They might be more concerned with representing the interests of certain regions or constituencies or view themselves as watchdogs over public money spent on the university rather than advocates of the institution itself. When they do function as advocates for the institution, the bulk of their efforts understandably are directed toward state government, the university's largest single "donor."

This is not wrong, but it does not foster the ideal climate for private fund-raising. Some regents might become donors, fund-raisers, and advocates for the institution in the private sector, but this is not at all ensured by current methods of regent selection or the definition of their responsibilities. The foundation board thus becomes a kind of "surrogate board of trustees," which brings the fund-raising advantages of the private college board to the public college.

The Foundation Board

As a private organization, the foundation is master of its own fate and can have a board that is self-perpetuating, in the manner of most private college boards. Members of the foundation board can be recruited specifically for their potential as donors and fund-raisers or for investment and management skills needed by the foundation.

It is important to acknowledge that trustees of a college or university are selected for a variety of skills in addition to fund-raising. Surely some are selected primarily for their abilities as fund-raisers or donors, but others are selected for their knowledge of academic affairs, their experience with building management, or their sensitivity to students. Such a variety of expertise is essential to a strong institutional board. But the foundation's mission is more specific and narrow. The talents it needs relate almost exclusively to its fund-raising and management functions. Criteria for selecting foundation trustees should reflect these needs.

However, a study I conducted in the early 1980s found that a majority of foundation boards had some ex-officio members, often including the university president, other institutional officers, and members of the institution's governing board.[4] In nearly half the cases, foundation board members were elected by a larger general membership of the foundation. In a few, foundation board appointments required approval by the institution's governing board itself.

Some experts make a case for having some overlap between the governing board of the institution and foundation board and for having some institutional officers—at least the president—on the foundation board. This might encourage better communication and understanding between these two entities. But if the foundation board becomes dominated by such insiders, or if it becomes a "constituent" board with a large number of ex-officio members serving as representatives for various interests and constituencies, then its fund-raising potential is diluted. If the foundation board is elected or subject to ratification by another board, there is the risk that criteria other than fund-raising abilities will predominate. Composition of the foundation board also has implications for the relationship between the foundation and the university.

The AGB study revealed that only 65 percent of foundation trustees contribute to the annual fund, compared with 83 percent of private institution governing board members. In capital campaigns, 66 percent of foundation trustees give, compared with 89 percent of private college trustees. The data alone do not explain such a discrepancy. One can only speculate that the relatively low percentage of foundation trustees who give might reflect a significant number of ex-officio members who are there by virtue of their institutional positions, rather than their philanthropic capabilities and inclinations.

Whatever the explanation, it is paradoxical that boards that exist for the very purpose of raising funds would have a lower percentage of participation in giving than boards that have more diverse responsibilities. Without personal support from all trustees, a foundation has less than total credibility in seeking the support of others.

Relationships Between Institution and Foundation Boards

Most foundations enjoy splendid relationships with their host institutions—close working partnerships that produce valuable support for university programs and a large measure of satisfaction for foundation trustees and staff. However, my study and the AGB study reveal that a number of universities and their foundations experience concern over their respective roles and responsibilities, while significant strain and tension exists in some situations. My study found evidence of tension in more than 30 percent of the foundations surveyed. Not surprisingly, it was more frequent in larger foundations, with greater resources and thus more potential influence.

The seeds of potential difficulty lie in the nature of the foundation-university relationship and in human nature. The institution's quality, how it handles its affairs and reputation, and other institutional factors clearly influence how successful the foundation can be in raising funds in the university's name. It is thus understandable that foundation trustees will develop an interest in the substantive affairs of the college for which they labor. Expression of such interest might be

viewed by the board of regents as an intrusion into its responsibility to determine university policies and programs. If the regents respond defensively to such interest, the foundation trustees might feel unappreciated for their efforts or, worse, begin to use the foundation's control of private money as leverage for institutional changes.

How the foundation conducts its business reflects on the university as well. If it is too agressive in its fund-raising, the university's image might suffer. If it is not agressive enough or becomes self-serving in expending resources, the university will fail to receive the private support it needs. As the foundation becomes more successful, its resources become even more important to the university, and interest in its operation is likely to heighten.

Thus, many areas of mutual dependency and opportunities for disagreement exist. There might even be a built-in tension between the two boards as a result of their differing responsibilities—the regents' need to ensure the institution's responsiveness to public and political pressures versus the foundation board's need to win a favorable view from potential private donors.

There are surely some instances in which university officers and regents are deeply concerned about permitting the foundation to become too independent, and they seek to control it either by dominating its board or tying it down with excessively restrictive policies and guidelines. But this can be self-defeating, making it impossible for the foundation to fulfill its promise of financial support for the institution. It might also demean the foundation trustees so that relationships are strained rather than secured.

In my 1982 study, foundation executive officers were asked to identify the specific causes of tension in foundation-university relationships. Of the 30 percent who had experienced such tension, 27 percent identified "personality conflicts" as the cause. Three other sources of tension—"disputes over allocation of funds," "disagreement over university goals," and "other"—were each identified by 22 percent of the respondents. Only 8 percent specifically selected the statement "governing board felt that the foundation board was involved in governing board area." In retrospect, I suspect that disputes over funds and goals were probably just specific manifestations of this general concern.

Under the category of "other," several respondents provided specific examples of disagreement. One cited a foundation board chairman's objection to the president's appointing foundation trustees and what he called the "independence versus control issue." Another mentioned confusion over roles and described a "who's on first" type of situation. Yet another mentioned a specific dispute concerning the naming of a campus building to recognize a donor to the foundation. In this case, the foundation apparently had made a commitment to the donor without appropriately consulting the regents, who actually "own" the building.

Experts consulted in my study identified several generic sources of potential tension between foundation trustees and regents. One said a foundation board seat

sometimes is viewed as an automatic stepping-stone to the board of regents. This might lead foundation trustees to intrude on the regents' area of responsibility as a way of "running for office." Another observed that most foundation trustees are Republican businessmen, while in some states, politically appointed regents will be predominantly Democrats. Such cases require the ability to "disagree politically but agree educationally."

In times of austerity, the regents might need to constrain the institution's growth, a goal that might conflict with the foundation trustees' commitment to the university's continued advancement.

Interviews from the 1982 study suggest that conflict between the university president and the foundation might be more common than disputes between the foundation and institutional boards. Such conflicts most often involve the allocation of funds. Some foundation executive officers reported being "caught in the middle" between the president of the college and the board of the foundation. One such executive said that presidents always want to spend money, while foundation trustees need to be more cautious in their role as fiduciaries of the foundation's assets. Some presidents seek to control the foundation, treating its assets like a "presidential discretionary fund." This approach is likely to be resisted and resented by the foundation trustees.

The fact that such pitfalls are indeed avoided at most institutions proves that they are not insurmountable and suggests that we focus our attention on the structures, policies, and practices that can preserve and encourage good working relationships, while enabling the foundation to pursue its mission.

Establishing Sound Relationships

The 1982 study found certain structural patterns influence the quality of the foundation-university relationship. For example, having the university president as an ex-officio member of the foundation board appears to be helpful.

But when the executive officers of foundations that enjoy good relationships with their universities were asked to identify the reasons for their success, they cited the subjective elements of "history or tradition" and "leadership of the president" as more important than formal structure. Promoting understanding and communication seems to be the key.

Robert Rennebohn, president of the University of Wisconsin Foundation, says, "The secrets of an effective relationship [between foundation and institutions] are strong leadership, a clear articulation of goals, and open communication."[5] From the other side, President Emeritus Edwin Young of Wisconsin also cites "an open line of communication" as the "hallmark" of a good relationship.[6]

First and foremost is the need for the college and foundation to agree on the roles and responsibilities of both entities, commit them to writing, then make them well known and understood by everyone involved. These ground rules should be promi-

nent in the orientation of new foundation trustees as well as university regents. They also should be rediscussed periodically at board meetings, retreats, and the like, because people forget and board membership changes over time. Regrettably, too few boards of any type conduct formal orientations for new members or systematically reflect on their own work. Both are practices to be encouraged, especially in the complex environment of a public university with an affiliated foundation.

Having the college president and members of the institution's governing board serve on the foundation board ensures a degree of communication that can prove helpful. In particular, overlapping board members might provide a stabilizing influence and a link between the two boards. Certainly there might be regents who, as individuals, can be successful donors and fund-raisers, and there is no reason they should not serve on the foundation board. But, again, if such regents do not exist, a requirement that certain foundation board seats be held by regents ex-officio can only visit upon the foundation the same fund-raising limitations that the foundation was created to overcome.

Having regents on the foundation board ex-officio also might create pressures to earmark seats for faculty, students, representatives of the alumni association, and others. If this occurs, the foundation board not only is distracted from fund-raising, but becomes a mirror of institutional politics and inevitably will involve itself in issues beyond its purview.

An alternative to interlocking boards is a joint committee on private support, which would include the president and members of the foundation and university boards. This joint committee can develop fund-raising policies and plans and provide the link between the university and foundation. This approach might be especially useful when the university receives some gifts directly, in addition to those received through the foundation, or as is often the case, foundation staff also serve as officers of the university. Policies developed jointly by the foundation and the university then apply equally to both sides, leaving no cracks to be filled by misunderstanding. And it is essential that these policies be developed *jointly* and not be imposed on one organization by the other.

Written guidelines not only should describe the broad roles of the foundation and institutional boards, distinguishing between fund-raising and university governance, but also should spell out the specific financial and administrative arrangements that will govern the foundation-college relationship at an operational level. These relationships often are quite complex, sometimes involving the sharing of staff, space, and office services, as well as detailed procedures for accepting, acknowledging, investing, and transferring gifts.

Regents and trustees need not, indeed should not, concern themselves with administrative operations of the foundation or the institution. But they do have a responsibility to ensure that such relationships have been carefully spelled out to meet the requirements of law and sound management and to promote good working

relationships.

Practitioners recommend that in addition to formal links between the foundation and an institution—whether interlocking boards, a joint committee, or another device—informal contact also helps build an atmosphere of mutual understanding and trust. This might include occasional joint board meetings or retreats, combined social events, the regular exchange of board minutes, and other vehicles that help maintain communication between the boards.

Institutional planning, resulting in a clear set of priorities for fund-raising, is essential to maintaining appropriate roles. This is true in all institutions, private and public, whether a foundation exists or fund-raising is conducted directly by the institution itself. It might be especially critical when the fund-raising is conducted by a separate foundation.

The foundation might receive unrestricted gifts from various donors, creating a fund that the foundation might then contribute to the college. The foundation's contribution likewise might be unrestricted to the college, or the foundation trustees might restrict it to a specific college program or purpose. Most college presidents will welcome the unrestricted support. If the foundation restricts the funds, however, they should be restricted for a purpose the *institution* has identified as a priority, not a pet project of the foundation's staff or trustees.

At large universities, most gifts to the foundation likely will be restricted by the donor to specific programs or units. In these cases, the foundation has no choice of where the money goes. But most gifts do not just "come in." They result from solicitations conducted by the foundation. Thus, the foundation still faces the decision of where to concentrate its fund-raising efforts among the many, varied needs a large institution has.

If the institution has not clearly identified its fund-raising needs and priorities, the foundation staff and board are left adrift. They inevitably will respond to the squeaky wheel—for example, the dean who presses his or her program the strongest. This is an impossible situation that can only lead to disillusionment and dissension. Absent clear priorities, the foundation will be left to make its own judgements about the institution's greatest needs. But such judgements are essentially academic or management decisions and are clearly the responsibility of the faculty and administration, not the foundation staff or board. Nature abhors a vacuum, and fund-raising requires a set of identified needs. Colleges and universities that do not set their priorities leave a vacuum into which the foundation might inevitably, and inappropriately, be drawn.

The foundation should, of course, be involved in the process of translating institutional goals and needs into fund-raising objectives and priorities. Wish lists unrelated to the realities of the philanthropic marketplace are pointless and always lead to disappointment. What is needed are bona fide university priorities, honed by the practical judgement of experienced fund-raisers to produce a set of realistic fund-raising goals, accepted by all parties concerned.

The Role of the President

The president is the principal link between the foundation and the college. It was the conclusion of the 1982 study, supported by other literature, that the leadership of the college or university president is the single most important factor in making the foundation successful.

It is the president's responsibility to ensure that institutional priorities and needs are identified and justified to the regents and foundation trustees. The president works for the regents, and in a sense, the foundation trustees work for the president, raising funds to implement the institutional goals he or she has identified. However, both boards have a right and responsibility to insist that planning be done and priorities identified. In addition, the president's active leadership and involvement in the actual solicitation of gifts is essential to success in any institution.

Clearly, for the public college president, a strong foundation conducting an aggressive fund-raising program complicates life. The private college president faces a single board, which often constitutes his boss and his principal donor. The public college president who forgoes a foundation also faces a single board but might give up any hope of significant private support as the price for the simple life.

The public college president with a foundation surely increases his burden as well as his potential rewards. The president now must work with two boards—a board of regents concerned with the public interest, and a foundation board whose help he or she needs to raise private resources. Private fund-raising calls are now added to legislative budget hearings as a demand upon the president's already precious time.

But as the growth of the private foundation clearly indicates, most presidents are willing to put forth the additional effort to secure the private gifts that can enable the institution to move forward. Regents and foundation trustees must insist that the president fulfill his or her commitments and responsibilities, but they must do so with mercy and understanding of the president's most difficult job.

Whether the president should serve as a member of the foundation board is sometimes a subject of discussion, although my 1982 study found that the president serves as a foundation trustee in 90 percent of cases, sometimes without a vote. Some observers think that having the president as a voting member of the foundation board raises conflict-of-interest issues, given the foundation's fiduciary responsibilities.

Legal considerations aside, the issue should be moot. The president is the leader of the institution, and the foundation exists to help pursue the institution's goals. Whether a voting member of the foundation's board or not, the president must work very closely with the board and give leadership to its efforts.

Beyond his or her formal role, the president sets the tone and establishes the climate in which the foundation and institution work together. For example, the president sends a message concerning the foundation's role in how he treats its

professional staff. Faculty, even other administrators, often regard development professionals as somewhat apart from the academic enterprise. This view can be exacerbated when the institution's development officers are indeed employees of a completely separate foundation. The president can help maintain sound relationships by including the foundation's senior executive in staff meetings and otherwise treating this individual as a member of the president's cabinet. Such minor considerations might seem unimportant, but they have a cumulative impact on the foundation-college relationship.

Conclusion

Because public institutions already are raising private money in significant amounts, we are way beyond questioning whether they should do so and are more concerned with how. They are no more likely to withdraw from the philanthropic marketplace than are privates to forgo the support of the state and federal governments. A system of higher education has evolved in which the lines between private and public have blurred, and both categories of institutions aggressively seek the support they need from every conceivable source.

A few major state universities have substantial autonomy, enlightened state governments, governing boards that are at least in part self-perpetuating, and a long history of private support. They are able to maintain highly successful fund-raising programs without establishing a foundation. But most public colleges and universities, especially small ones and those that are new to the fund-raising arena, will find creating a foundation the best way to go. Those in states that prohibit or restrict the use of public funds for private fund-raising will have no choice but to establish a foundation if they are to seek private gifts to supplement state budgets.

It is conceivable that the governance of public colleges and universities could be reformed in favor of greater autonomy, making foundations unnecessary, while also protecting the public interest in public higher education. And perhaps such reform is needed for this and other reasons. But the institutionally related foundation, properly organized and managed, offers the public college's best accommodation to present realities.

A foundation complicates things; it creates another constituency, another influence, another set of relationships to be maintained, and another source of potential problems. But it also offers the potential of increased support and the improved educational quality that money can help provide. It is a tradeoff most public institutions have found exceedingly worthwhile.

Recommendations for College or University Regents:

1. Recognize and respect the independence of the foundation and regard its trustees as partners, not subordinates, in advancing the university.

2. Be prepared to defend the foundation's independence if it is challenged by state authorities or others.

3. Insist that the university identify priority needs for private financial support and justify them in terms of academic objectives.

4. Be willing to serve on the foundation board, if you are invited and if you think you can contribute to the foundation's fund-raising mission. But do not join the foundation board to represent the interests of the board of regents per se.

5. Insist that the university's relationship with the foundation be clarified in writing, including a statement of roles and responsibilities, as well as specific matters such as the employment of staff, budgetary support, and policies for the management of funds.

6. Establish a joint committee or a similar vehicle with the foundation trustees, to approve mutually agreed-upon policies on fund-raising, donor recognition, and other points, and to provide a forum for communication. Seek informal opportunities for further contact with the foundation's board.

Recommendations for Foundation Trustees:

1. Recognize and accept that your role is to raise and manage funds to meet priority needs *identified by the university president and board.* Remember that gifts to the foundation are meant to benefit university programs, not the foundation. Be meticulous in avoiding even the perception that the foundation is self-serving.

2. Insist on having the university's priorities indentified and explained. You can question, but stop short of "fighting" for the priorities you personally favor. If you consistently disagree with the university's priorities, consider resigning from the foundation board.

3. Establish specific written criteria for the selection of foundation trustees that reflect their responsibility to give, raise, and manage money. Resist pressures to depart from these criteria and appoint trustees for political or other reasons not related to the foundation's mission.

4. Insist that the foundation's relationship with the university be clarified in writing, including a statement of roles and responsibilities, as well as specific matters such as the employment of staff, budgetary support, and policies for the management of funds.

5. Recognize the president as the leader of the university and invite him or her to serve on the foundation board. Whether the president has a vote on the board or just a voice is less important than giving him or her the opportunity to articulate the university's goals and needs.

6. Establish a joint committee or another formal vehicle with the regents to approve mutally agreed-upon policies on fund-raising, donor recognition, and other points and to provide a forum for communication. Seek informal opportunities to

get to know regents and understand their views of the university.

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WHY MAJOR DONORS GIVE

By Kent Dove

MAJOR DONORS. IN SUBSTANTIAL MEASURE, THEY HOLD THE FINANCIAL FUtures of colleges and universities in the proverbial palms of their hands. For the private institutions this is certainly the case. And for the tax-assisted institutions, it is clearly so at the point of enhancing quality in specific programs.

Why are major donors so important? Because as much as 90 percent of any institution's basic philanthropic support typically comes from this select group of benefactors. Who are these major donors? What motivates them? How and why do they give? Why is the role of the board member so important in identifying, cultivating, and soliciting them?

It is understood that board members have a responsibility and an obligation to give generous gifts within their own means and to be major donors if at all possible. But the role of the board members extends beyond this. They must encourage—indeed ask—their friends, colleagues, associates, and peers to become major donors as well. In cultivating and soliciting prospective major donors, board members should understand the factors that motivate this special group, as well as factors that inhibit giving.

Why Do Major Donors Give?

Board members should understand at the outset that tax considerations are not generally the primary motivation for major donors. Much research has been done on the subject of major donor motivation, and the results make it perfectly clear that these people give more often to realize personal fulfillment and out of dedication to an institution than as a result of federal and state tax policies.

Paul B. Chewning, in his unpublished doctoral dissertation, made a comprehensive review of studies and literature relating to the field of major giving. His review covered studies and observations from the late 19th century to the 1980s.[1] Chewning's data are clear, convincing, and compelling, and they are supported by

the reported experiences of the most experienced fund-raising practitioners and volunteers. Personal values, interest, involvement, and beliefs influence and induce giving far more than do material or financial rewards.

Donor motivation, as it relates to giving habits, is addressed by George A. Brakeley, Jr. in his book *Tested Ways to Successful Fund-Raising*. Although he points out that human behavior is complex, difficult to explain, and subjective in nature, Brakeley lists characteristics that motivate philanthrophy, of which nine appear to have the most significant impact:

Acceptance—the wish to be associated with other members of a group.

Altruism—the desire to help an organization performing work beneficial to others, a wish to improve mankind.

Appreciation—the gratitude and respect accorded the donor from the recipient organization or the expression of the donor's appreciation of the institution.

Being asked—one of the most important motivating forces in fund-raising. People simply like to be asked.

Gratitude—the powerful, unselfish motive for giving to an organization that has provided particular benefits to the donor.

Group support—the universal human need to belong to groups that share common interests and values.

Return on investment (and tax benefits)—the motivation to give to those organizations that are "going somewhere," to yield a good return on the investment.

Sympathy—an emotional need to help others in need or distress.

For fun—the "joy of giving."[2]

Jerome Panas, in his book *Mega Gifts*, lists the following reasons people give to education, in order of importance:

Values coincide—they believe in the mission of the institution.

Sense of belonging—they may serve on the board, a major committee, or other body of the institution.

Cultural—they are a part of the institution's culture and have a history of being involved with the institution.

Fund-raising—they are involved in the fund-raising program.

Self-interest—they have an interest in a specific program.[3]

The notion that the state of the economy is a major factor in giving is also tempered by the statistical data. Certainly, economic prosperity bodes well for philanthropy. But the data tell us that philanthropy has grown steadily and without interruption each year since 1955 through 1987, according to *Giving USA*. Adjusted for inflation during this highly inflationary period, giving has essentially kept pace. As a percent of GNP, giving was 1.9 percent in 1955 and 2.09 percent in 1987.[4] It would appear that a troublesome economy does not place an overwhelming downward pressure on major giving.

Characteristics of Major Donors

The significant reasons major donors give is clear. But what do we know about their personal characteristics that can help trustees approach them successfully? Major gift donors have strong values and deep beliefs. They believe in people and have great respect for knowledge. They often desire to provide opportunities for others that they did not have themselves, to help the less fortunate, to improve the quality of life, to solve problems in society, and to preserve and perpetuate values of humankind, especially the values they hold dear.

Major gift donors are usually quite religious, have a deep belief in the free-enterprise system, and are generally conservative in their life style and views. They probably already are familiar with the institution they will be asked to support. Someone from the institution has already made an impression on them. They have come to believe in that person—chief executive officer, trustee, key volunteer, or member of the professional staff. Or they have come to know the institution and what it stands for; their values are those represented in the institutional mission.

They view giving as a social investment, and through these investments they hope to be able to help solve a problem, address an issue, or express themselves—and they expect to see and understand the "return on investment." They will not seek, but will accept and expect, recognition. They might want to honor or memorialize someone, although many will choose to honor themselves. They have the resources to make a major gift, even though these resources might not be liquid at the moment. Their spouses and families often are involved in the gift decision and should not be forgotten in the cultivation and solicitation process.

Major donors tend to stay with programs and activities that have been of interest to them over a long period. Many of those who will give to the institution in the future have given to it in the past.

These people often value the acquisition and dissemination of knowledge, as well as the exploration for new knowledge. They hold a fundamental belief that the quality of life is bettered through higher education.

Why the Trustee?

Why is the board member's participation so central to this process of raising major gifts? Why can't others do it just as well?

Board members are in a distinctive position to assist with major donor cultivation because they often enjoy peer and colleague status with the prospects. Successful solicitation most often occurs between peers. Solicitation overtures that rely on subordinates to make calls in an upward reach tend to produce minimal gifts—assuming that access is even gained to the prospect.

In addition, board members know their institution best because of their deep involvement. They hold positions of trust and honor; their presence on the board

gives credence and credibility to the institution and its direction. And assuming that board members are capable of giving major gifts and have done so, they are in the unique position of being able to ask others to follow their lead and join them in supporting the institution. Asking others to do what the solicitor has already done can be one of the most persuasive arguments in an institution's behalf.

The process of obtaining major gifts requires a team effort and a coordinated approach. It takes time, persistence, and patience. But the effort is more than justified by a successful result.

The Cultivation and Solicitation

The first step in the process is to identify and carry out some basic research on potential major donors, including individuals, foundations, corporations, and occasionally, other specific supporting groups or organizations. But the focus here is on giving by individuals. Typically, major donors are individuals. These people contribute as much as 90 percent of most campaign goals, annual or capital. Even corporations or foundations do not give to a program or building per se—an intermediary person or group of people carries the message. It all finally comes down to the individuals—those seeking and those giving.

Having completed the research and separated those with exceptional giving potential from the rest of the constituency, the development staff, with help from knowledgeable individuals and board members, evaluates the interests of prospective major donors as well as their capability to give. Because 90 percent of the money in a typical capital campaign comes from fewer than 10 percent of all donors (and in most annual giving campaigns, from 60 percent to 70 percent of the dollars come from 20 percent to 30 percent of the donors), it is vitally important that the prospects be correctly evaluated and that board members involve themselves in the recognition, cultivation, and solicitation primarily of the top prospects.

Once evaluation and qualification are completed, cultivation begins. Cultivation is the process of forging a relationship between a prospective major donor and the institution, so that he or she understands what the institution stands for and hopes to achieve. Cultivation requires hard work and creativity from staff and board members; if done properly, it will result in the prospect becoming involved in the life of the institution, perhaps as a visiting lecturer or member of an advisory committee or official board. The cultivation begins when the prospective major donor first hears about the institution. It reaches its highest point when the prospect asks, "How much will it cost?"

After cultivation, the next important step is laying the groundwork to ask for the gift. Every board member should know that securing a major gift is the natural and hoped-for result of the cultivation process. Because results do not normally come in a few weeks or even months, cultivation aimed toward solicitation demands a sensitive balance of patience and persistence and will probably require the efforts

both of board members and the professional staff.

Just as philanthropy is the broad act of people expressing their love for others, so the major gift is much more than simply money contributed to meet an institution's needs; it is an opportunity to invest material assets for intangible rewards. Solicitation is the delicate presentation of this opportunity. Solicitation is not begging. It is a high form of seeking such investments. Occasionally, an institution might jump from identifying and qualifying a prospect to asking for the gift almost immediately. Most often, this does not succeed. However, waiting for the presumed "perfect" time to ask for the contribution probably has resulted in losing more gifts than has asking too soon.

The factors for a board member to consider in timing the "ask" include: length of cultivation period, date of the prospect's last major gift, the donor's age and health, his or her current economic position, and the urgency of the project for which the funds are sought.

Each major gift negotiation is a campaign in itself. It is important to do the necessary homework and to understand the prospect and his or her wants, needs, hopes, and ambitions. This requires all the help available. Who are the family members, friends, and advisers? Who at the institution is known and respected by the prospect—perhaps as a result of earlier steps in cultivation? If possible, each of these people should be discreetly probed as to the prospect's interests and probable reaction to various opportunities. As appropriate, it might be advantageous to involve some of them in preparing the proposal.

Board members are in a unique position to accompany major prospects on visits to the institution. During such visits, candid discussions about issues, problems, and opportunities can take place, and the prospect can offer advice and suggestions. When follow-up is required, the board member should express to the prospect appreciation for his or her guidance.

As the process moves toward the final solicitation, a team of two or three people usually works best in making major prospect calls. Often the team includes volunteers and development staff members. Here are some suggestions for trustees invloved in the final stages of the solicitation:

- Develop a strategy and review it just before actual solicitation. If necessary, script the presentation and rehearse it.
- Set up an appointment with the prospect in person or on the phone—not in a letter. Ask for time to talk about the institution's capital or total-giving program. Then, having made the appointment, confirm it in writing. Along with the confirmation, attach some easily absorbed and strategically selected information about the institution's plans.
- Identify several projects, in terms of suspected interest and range of dollar value, that appear to match the prospect's leanings and financial capability. Large gifts sometimes come from an individual as a result of personal conversations and without written material.

- During the visit with the prospect, after a brief conversation on subjects of mutual interest, state the reason for the visit and the events leading up to it. This should not be a monologue, but should invite the prospect's participation. Ask questions and carefully note the prospect's responses. The immediate aim is to move toward the moment of asking for the prospect's participation, making clear the level of gift the institution hopes the prospect will consider.
- Be prepared to deal with questions and objections the prospect voices. These should not be considered bothersome intrusions but indications of interest and opportunities for discussion. Some objections might be subliminal and hazy. Most will be straightforward, such as, "This is a bad time for us financially. Our money is all tied up." Or, "I do not agree with your president's priorities."

Whatever the objection or question, listen to it. Ask the prospect to restate the objection so it is clear and in context. Explore ways to solve the problem. An argument never solves the issue and might make it appear bigger than it really is. It is perfectly legitimate to compromise if such compromise does not hinder reaching the major goal.

- Should a "no" appear to be forthcoming, break the meeting without attempting a "close" and plan strategy for the next visit, noting the reasons the prospect refused and what must be done to nullify them. Gifts made in haste or by an unconvinced donor tend to be minimal. And, if possible before leaving, establish a date and agenda for the next meeting. For many major donor prospects, several meetings are required and should be expected during the solicitation process.
- Prepare a follow-up letter to confirm the understanding. The proposal or confirmation should cover at least these four items: (1) a statement of the opportunity to fill a need; (2) the proposed action by the institution to meet the need; (3) financial information, including the total cost, other funds available, and the amount being requested; and (4) a summary statement of the benefits to be derived as a result of the donor's gift. This material should be prepared by the development office.

In 1978, the Public Management Institute identified 14 errors most commonly made when soliciting large gifts:

- Simply not asking directly for the gift.
- Not asking for a large enough gift.
- Not listening—talking too much.
- Not asking questions.
- Talking about the institution and its approach to solving the need, rather than the prospect's donor benefits.
- Not being flexible and not having an alternative to offer the prospect.
- Not knowing enough about the prospect before the solicitation.
- Forgetting to summarize before moving on to the final "ask."
- Not having prearranged signals between solicitation team members.
- Asking for the gift too soon.

- Speaking rather than remaining silent after asking for the gift.
- Settling on the first offer the prospect suggests, even if it is lower than expected.
- Insufficient cultivation of the donor before solicitation.
- Not sending out trained solicitors.[5]

And Afterwards

Once the major gift has been secured, prompt, thoughtful, and appropriate acknowledgement must be made and recognition to the donor's liking be provided. Again, board members should play appropriate and important roles in these activities. The best prospect for a future major gift is the satisfied donor who already has made one. Appropriate attention to the donor and competent stewardship attending the application of the gift are crucial.

In the end, soliciting major gifts is the simple process of having the right person ask the right person for the right amount at the right time and for the right purpose. When a board member is the right person to ask for a major gift, he or she should accept the assignment willingly, if not gladly. If the case is sound, if the leadership is excited, and if the approach to fund-raising is solid, then funds in adequate amounts will be forthcoming.

Committed and dedicated board members, buoyed by this thought, should shoulder their fund-raising responsibilities unhesitatingly and work to move their institutions forward by being willing and generous donors themselves and active, purposeful solicitors of others. There is nothing to fear. Giving itself is a joyful activity. And board members who, after contributing their own gift, ask another for a major gift will find that many people are pleased to be offered the opportunity to invest in higher education. In securing these special and important gifts, board members, too, will find the wonderful, personal fulfillment that successful asking brings.

FUND-RAISING AND THE COMMUNITY COLLEGE

By Mary Wallace Wheat

FROM THE BEGINNING OF HIGHER EDUCATION IN AMERICA, TRUSTEES HAVE BEEN responsible for obtaining the resources to maintain and nourish their institutions. Private philanthropy has been an ever-flowing source of funds and has given American higher education its edge of excellence. The private institutions first developed an expertise in attracting gifts from private donors. Next, public four-year colleges and universities began to woo the private donor in hopes of enhancing the quality of their programs. Even more recently, community colleges have begun to seek the private dollar.

As latecomers in the private fund-raising arena with no role models and with perhaps some doubt about the appropriateness of the undertaking, community colleges have floundered somewhat in this new activity. However, the present and future contributions of this special segment of higher education to society can be enriched considerably by private philanthropy, and the access to private funds might be greater as community colleges press for recognition of their special niche.

Community colleges traditionally have received the bulk of their funding through local and state tax support. Recently, major changes have occurred in the fragile balance of government support for higher education, especially in support of community colleges. Local and state sources have decreased, and at the same time, federal grant money and categorical aid have been drying up. This uncertainty has left community colleges unable to plan effectively, particularly for developing and maintaining an "edge of excellence."

The need for community colleges to participate in the tradition of private philanthropic support for higher education has become increasingly apparent.

Coming from Behind

Community colleges clearly lag behind four-year institutions, private and public, when it comes to fund-raising. This may be attributed to several factors. First, they

are much newer institutions, still feeling their way for the most effective means of shaping and administering their programs. Private fund-raising has not been a top priority. Second, because they have relied solely on public funds, they have only recently faced the cutbacks that have forced them to reach for new sources of income. Finally, they are governed by boards that were not necessarily appointed or elected with fund-raising as a clearly defined commitment. Because private fund-raising starts with board interest and support, it is not surprising that it has not been a priority in these institutions.

Community colleges responding to the AGB survey indicate that they have been in the fund-raising business for an average of five years. This compares with a 12-year average for all public institutions, including community colleges; some state universities have been at it for more than a hundred years. Private institutions, some of which have been attracting private support for more than three centuries, indicate that their formal programs have been in place for at least an average of 25 years.

Moreover, the responses of the community colleges to the survey indicate that these institutions generally do not have their fund-raising acts together. Of those responding, fewer than 20 percent returned a response complete enough to indicate that they really knew what they were doing. Those not responding might be in even deeper trouble. This analysis is not a condemnation but rather an indicator that, as a group, community colleges are just awakening to the opportunities afforded by private philanthropy, a rich lode that their four-year sisters have been mining effectively for many years.

This is too bad. An exciting and compelling case can be made for community colleges. Their open-door policy is in tune with the changing demography and strong emphasis on opportunity for all. Forty-three percent of the nation's undergraduates are in community colleges, and 51 percent of all first-time freshmen are enrolled in these institutions.

The local community college often is the primary institution that creates an educated population for the community it serves. It teaches, trains, renews, retrains, restores, and opens new horizons each year. There is a growing sense of recognition that community colleges are irreplaceable community resources. They not only improve the quality and become the focus of a community's life, but they provide the trained employees for much of its business and industry. They are diverse and responsive to community needs. The case for community colleges is, indeed, impressive.

Trustees as Fund-Raising Catalysts

The question for community colleges is no longer whether they should launch fund-raising efforts directed toward the private donor, but how. Obviously, trustees who have a comprehensive understanding of the institution and its needs for the

future can be the catalysts who make fund-raising happen. They are the leaders who can point the way. Unless trustees understand the function and process of fund-raising and support the program, the fund-raising activity will never realize its potential on any campus.

Unfortunately, one of the greatest stumbling blocks to community college effectiveness in the fund-raising arena is the lack of trustees' recognition of their role in and importance to the activity. They are ill-prepared for it because of the nature of their institutions, the process by which they were selected, and the role they have played as trustees.

Community college trustees, as all trustees, should know that one of their primary functions is to ensure that adequate funds are available to support the programs of their institutions. If traditional sources are not supplying these funds, then they must seek alternate sources. Because it obviously has become necessary for all public institutions to seek support from the private sector, community college trustees should get on the bandwagon.

This does not mean that trustees should be fund-raising experts, but they do need to be aware of what constitutes a good fund-raising or development operation. They should be aware that in today's climate of fund-raising two facts are paramount: The level of sophistication and professionalism in fund-raising is increasing, and the competition for the donated dollar is more intense. This means that any successful fund-raising effort demands good professional leadership as well as a generous investment of resources.

The Uses of a Foundation

Among public institutions, the operational vehicle for fund-raising is most often a related foundation. The establishment of such a foundation focuses on the mission of fund-raising and provides a flexible base to administer the fund-raising activity. Large public institutions have operated such foundations for years, and their impact has been clearly established.

In recent years, community colleges have begun to establish foundations, and it is appropriate to review their role in the context of their unique fund-raising environment. Of those community colleges responding to the survey, nearly 90 percent indicated that they had or were establishing related foundations. This figure might appear high for the entire group, because nonresponding community colleges probably do not have clearly defined fund-raising programs in place, much less related foundations. But not all of the institutions that have foundations have learned to use them effectively.

Chapter 8 presents a clear statement on the role, responsibilities, and challenges to public institution foundation boards.

What it Takes to Make a Program Go

Whether the fund-raising activity is entrusted to a related foundation or kept within the institutional structure, it is the professional staff that makes it go. This professional staff needs financial resources to carry on the activity successfully. An in-depth review of the community colleges that seem not to have their act together in fund-raising would probably show that they are skimping on professional staff, and they are not investing adequate financial resources in the program.

Most four-year institutions have long since come to understand the value returned from the investment in a strong development department. They know that it takes money to make money. This is a new concept for community colleges, and there is some hesitation in committing resources to fund-raising in a public institution. However, if the job is to be done, it must be done right. This means hiring professionals and establishing a reasonable budget.

Even with good professional guidance, adequate resources, good planning, and a strong donor base, donations do not start flowing in overnight. It may take three years to get a fund-raising operation functioning profitably. And, it often takes three years or more from the identification of a prospect to the realization of a major gift.

From the responses to the survey, the cost of raising funds for community colleges seems almost prohibitive. This may be due to sparse statistics, inaccurate records, or the fact that in public institutions, advancement dollars are spent for reasons other than simply to bring in private donations. It also might be true that community colleges are still in their first few years of serious fund-raising and that their efforts are not yet paying their way. Nevertheless, the numbers suggest that community colleges spend an average of three times as much money to bring in a dollar as do other public institutions.

It is important to evaluate and assess the cost of the total fund-raising operation and each of its components. Does the money brought in justify the funds expended? What proved to be the most effective tool—mass mailing, targeted pieces, special events, donor clubs, memorial giving? The efficacy of constant testing of fund-raising techniques is proven. For trustees of community colleges, careful scrutiny of fund-raising costs is elemental. The public expects fund-raising efforts to be fiscally accountable. And if there is an established pattern of business giving, the corporate community can be expected to look critically at the fund-raising bottom line. If the evaluation shows the fund-raising activities to be in poor shape, then a genuine effort must be made to improve them.

Other constituents must be brought into the fund-raising effort. Faculty, administrators, and students can all play an important role. In the case of the community colleges, these constituencies are especially critical, because they are directly involved in the local social and business environment, which is the main source of private dollars.

Community colleges do not have the pattern of generational loyalties, alumni commitment and giving, and the traditional attraction for philanthropy that exists with most four-year institutions. Furthermore, instead of working with higher education's more collegial models, it might be necessary to deal with a collective-bargaining unit. If these stakeholders do not understand and support the need for private fund-raising and are not strong advocates of the college, the task of convincing prospective donors of the need will be more difficult.

Good fund-raising is a team activity, and everyone close to the college should be a part of the team. Again, the trustees are obviously in a leadership role in establishing the climate most conducive to successful fund-raising.

Who Are the Donors?

The strengths of the community college for fund-raising are impressive: Strong ties with the local community and corporate partnerships through vocational training allow access to a large prospective donor base. Add to this a freshness to fund-raising activities, which can breed enthusiasm and vitality.

Although only a few community colleges responded to the AGB survey in sufficient depth to generate any precise statistics, indications are that community colleges' biggest source of private funds is from individuals other than trustees, foundation trustees, alumni, or those with personal connections to the college. These "others" furnish about 34 percent of the private dollars. This is well above the average for all public institutions and should be expected, given the unique place of the community college in its local community.

Trustees produce about 2 percent and foundation trustees about 11 percent of the dollars. Corporations provide about 24 percent, and external foundations about 13 percent of the incoming funds. These figures should be taken as indicative only and probably represent the outcomes of fund-raising programs of the most active institutions. But they do appear to be in line with what might be expected.

The most important point is that although corporation and foundation gifts are important and should be pursued with great zeal, it is still the individual who gives the largest proportion of the dollars. The cultivation of individual gifts must always be given the highest priority.

Here again the trustees of the institution and of the related foundation are key players, both by personal action and group example. The fund-raising program cannot be expected to flourish if 100 percent of those most closely associated with the institution do not give, even though the gifts might not be large. It becomes a questionable practice to ask others to give, if the trustees of the institution and of the foundation have not each made their gift—each according to his or her ability.

With the example and inspiration of the trustees and with the full college family on the team, community colleges through their fund-raising efforts have an even greater opportunity to be key players in building a better community. And as they

reach out and effectively serve the needs of their community, they expand the base of friends who will bring financial support to the college.

The movement of community colleges in America is unique and has been enormously successful. These colleges, with their open-door policy and their mission of service to their local constituency, are closely connected to their communities. Theirs is a remarkable mission and they deserve the financial support of the community. Private fund-raising in public institutions is a necessary and legitimate undertaking. It is time for community colleges to adapt what is best in the fund-raising programs of four-year institutions—and perhaps establish new approaches and techniques appropriate to their own situations.

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THE TRUSTEE'S ROLE IN PUBLIC RELATIONS

By James W. McLamore

A PRINCIPAL OBLIGATION OF TRUSTEES IS TO FOSTER THE FINANCIAL INTEGRITY of the institution they are privileged to serve. In addition to ensuring good leadership of the college or university, the trustee then must support the administration's goals and objectives through effective fund-raising and "friend-raising."

Friend-raising means building constituencies that will support the institution with more than dollars. Friend-raising is the foundation of fund-raising, and it helps to create awareness of the institution among important opinion leaders. This pays off in a heightened image of the institution as a resource for high-quality educational opportunities, a center of cultural activities, a bank of qualified employees, a braintrust for help with a community or business problem, and a general source of community pride.

Most boards represent a cross section of the leadership of the local community and of society. To increase the institution's resources, trustees are charged with the task of seeking out and meeting their constituencies and convincing them that the college or university deserves their support. With the enthusiasm of a diverse, well-rounded board, a large number of people can be approached.

Rather than present a general guide to the trustee's role in public relations, let me tell the specific story of the University of Miami. Other colleges and universities might be able to adapt the pattern of action to their own unique situations, needs, and opportunities.

People Give to People

Good public relations is at the root of all successful fund-raising efforts, and there is no better public relations than personal, face-to-face contact. People do not give to institutions; people give to people.

Trustees, by virtue of their own success, already are adept at public relations and dealing with people. Their experience in business and community affairs already

has taught them how to convince people to put resources behind a worthy project. Many serve as directors of businesses and foundations. Others hold memberships on influential advisory boards and quasi-government bodies. Each trustee brings to the institution a distinct set of contacts and prospects. In addition to my membership on various corporate boards, I serve on the boards of several community-service organizations. Two of our trustees have chaired the local United Way campaign. These affiliations speak well for the university.

Trustees often attend important community events and host events of their own. These are opportunities for trustees to enlarge their circle of contacts. I am frequently honored with invitations to speak to social and civic groups, and at these engagements, I meet new people. I never know with whom I can strike a responsive chord and whether a certain person ultimately might want to befriend the university.

In addition to business and civic leaders, it is important to extend friend-raising to government leaders. Institutions, no matter how large or small, have proposals before city and county commissions, school boards, and state legislatures from time to time. At the University of Miami, our trustees have been instrumental in lobbying state legislators to fund university projects.

Once such friends are made, the college campus itself offers a variety of opportunities to introduce new acquaintances to the institution. Art museums and music schools host events that make good ice-breakers to introduce a prospect to the institution. Many people enjoy the arts, but they might not know what a specific institution has to offer. It is the job of the trustee to identify that interest and to introduce the individual to that college's program. The event might be as simple as the opening of an art exhibit or a student-produced opera.

Beyond Fund-Raising

Although trustees have a major obligation to raise funds for the institution, they also are key to raising the consciousness of community leaders. The people who come in contact with trustees are opinion leaders and often set the agenda for the community.

Through conversation with business associates, employees, and colleagues in civic and church groups, these opinion leaders have a great deal of influence over the community's image of a college or university. It is true that rumors spread fast, but good news can spread just as fast. Trustees are in an excellent position to affect this process.

The opinions of community leaders can affect decisions about where children of friends and relatives attend college, where a company recruits its employees, whether to actively support or vote for a candidate or referendum that favors increased funding for a public institution, not to mention direct donations.

Trustees are the best salespeople an institution can have; they simply need to tell

the institution's story. They have been very successful at doing just that at the University of Miami. An independent survey of business, government, media, and social leaders in Dade County recently was conducted for the University of Miami. Thirty-four percent of the respondents said that they maintain contact with the university through friendships with many of our trustees or the president. Thirty-one percent identified themselves as financial contributors. Thirty-nine percent said they are subscribers to sporting events at the university, which indicates that a top-ranked football team is not required to get prospects onto campus.

Our 62 trustees have been able to maintain close contact with the majority of the generally recognized leaders in the area. Considering that Dade County has a population of 1.8 million, this is a remarkable accomplishment and reflects the ability of our trustees to circulate throughout the community and tell our story.

Survey results indicate that the story is getting out in a big way. In the last seven years, the university has undergone some significant changes and has set a goal to become one of the preeminent private research universities in the country. In the survey, respondents were asked to position the University of Miami on a continuum (worst to best), both five years ago and five years from now. Only 6 percent of respondents would have ranked it in the top two positions five years ago, but 61 percent expected it to be in the top two in five years. This indicates that our community leaders have high expectations for the university in the next five years. It is now up to our trustees to show those leaders how they can help.

Working With the Media

Many trustees will have an opportunity to work with the news media. Usually, they are asked to comment only on issues of major importance to the institution. Day-to-day media relations are handled by the professional staff, one of whom officially speaks for the administration.

When a major event occurs, however, the trustees—or at least the board chair—should be available. Throughout the University of Miami's $400 million campaign, President Tad Foote and I visited the editorial boards of local newspapers to drum up support. Last year, we held a news conference, where the board voiced its support of the president's policies to strengthen the university's academic and athletic programs.

Before talking to the media, it is important to plan a strategy. Complicated issues can easily be misconstrued if the facts are not expressed clearly and concisely. Especially in the case of an editorial board meeting or a press conference, during which many people ask questions, plans to communicate your message can easily go awry. And television and radio interviews pose the problem of consolidating a complex issue into a brief interview. Strategic planning, such as who will cover what issues, is especially important when a trustee and administrators face the media together.

I have the advantage of working with a former newspaper reporter. Tad Foote was a reporter for *The Washington Star* and *The Washington Daily News* while working his way through law school in the early 1960s. He has some good advice for working with the media:

1. Tell the truth. Although it is not necessary to volunteer everything about an issue, it is essential not to lie.

2. If you receive telephone messages from reporters, promptly call them back. They usually are on deadline and need information immediately.

3. Take a long-term, open approach. Although you might be tempted to withhold damaging information, you lose credibility when it comes to light.

4. Take time to explain. It is better to overexplain than to underexplain, because there is danger in assuming that reporters know more than they do.

5. Understand the sense of the story. If it is a long, complicated story, more time is needed to flush out the issues than if it is a breaking story that requires a quick quote.

6. Correct factual errors. Reporters generally make errors because the issue was not explained fully the first time. Reporters are generally appreciative when errors are noted in a constructive manner.

Finally, when trustees are interviewed about their activities with other organizations, it always helps to mention the affiliation with the college or university. It might or might not be worked into the story, but the reporter should know it for background.

Using Professional Staff to Best Advantage

Most colleges and universities, no matter how large or small, have a professional public-relations staff that can offer tips on dealing with the news media. The public-relations staff also is charged with building the image of the institution.

Miami's university-relations office actively informs the community through university publications and press releases. This publicity certainly acts to "soften" prospective donors to the personal contact that comes later from trustees.

Publicity about gifts helps pave the way for future commitments. As chair of Miami's fund-raising campaign, I work closely with the media-relations staff in publicizing gifts. I am quoted in most major gift announcements and am always available to the media for comment.

Trustees can use publicity materials when discussing the institution with a prospect. At Miami, a compendium of media articles about the university is published regularly. Trustees may show these articles to prospects or use them for background information. In addition, trustees sometimes use the public-relations office as a resource for information about a specific department or project.

Differences Between Institutions

There is little difference between being a trustee at an urban, nationally known research university and a small, public, two-year college. The basic public-relations duties and obligations of trustees are the same. The University of Miami has many of the characteristics of a smaller institution—it is young (62 years old) and parochial (most of its alumni live in a three-county area in South Florida). In fact, more than half of its alumni have been graduated since 1972.

Financial support for the University of Miami cannot come from entrenched, dynastic families who are scattered across the country and are captains of industry and philanthropy. What we have been able to do in South Florida is to convince businesses and individuals, most of whom are originally from elsewhere in the nation, that the University of Miami is worthy of their support.

With no natural ties to the institution, we have had to create them, and our trustees have played a major role in this effort. As a result, approximately three-quarters of our fund-raising commitments have come from South Florida, and two-thirds of the funds have come from nonalumni. Our success shows it is not necessary to have a diverse constituency or rich traditions to generate community involvement and support.

Actively seeking opportunities for the university takes tireless dedication and hard work on the part of our trustees. Every community has such people. Every institution has alumni with these qualities.

There is no secret formula to good public relations for trustees. By virtue of their own accomplishments in the community, they should already have the basic skills. Some trustees might have special talents, and these abilities should be recognized by the leadership and then put to work for the institution.

Certainly the institution benefits, but so do trustees. They enrich their own lives by doing something useful. They meet many new people and make new friends. They broaden their base of contact with society, and this enables them to do their jobs better—professionally and philanthropically. Few things are as fulfilling as becoming involved with the people and organizations that make our nation and communities better.

About the Authors

J.W. Pocock

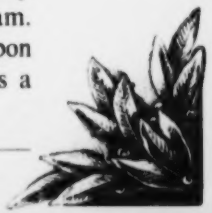
J.W. Pocock, a member of the board of The College of Wooster for which he served as chairman for 17 years, is a nationally respected expert on higher education lay trusteeship. His expertise addresses such specific issues as the board's role in finances, resources management, and fund-raising. Pocock served from 1975 to 1985 as a director of the Association of Governing Boards. He is author or coauthor of several AGB publications, including *Financial Responsibilities of Governing Boards* and two booklets in the Standing Committee Series, "The Finance Committee" and "The Audit Committee." Now retired, Pocock was senior vice president of Booz-Allen & Hamilton.

Kent Dove

Vice president for external affairs at Rice University, Dove has vast experience in fund-raising, advancement, and working with boards of public and private institutions. He previously served in key development posts with the University of California at Berkeley and Drake University. He is author of *Conducting a Capital Campaign* and has a national reputation for instituting successful major donor programs.

Michael J. Ferin

As vice president for advancement at Wittenberg University, Ferin works closely with President Bill Kinnison in carrying out that institution's fund-raising program. Having previously served in advancement positions at Purdue University, Ripon College, and Beloit College, Ferin is a respected development officer. He is a frequent conference speaker and is author of several articles on fund-raising.



William A. Kinnison

Kinnison is president of Wittenberg University, where he previously served as that institution's chief development officer. A noted author and lecturer on the board's role in fund-raising, Kinnison brings his unique perspectives to the important area of board-staff relations. Kinnison is author of the AGB Standing Committee Series publication, "The Development Committee," and contributed to *Making Trusteeship Work*.

James W. McLamore

McLamore is chairman of the board of the University of Miami and chaired the university's $400 million capital campaign, which far exceeded its initial goal. As a result, he has been instrumental in moving the university to a position of prominence. His contribution here outlines his important views on how board members can be effective public-relations advocates in behalf of their institution's fund-raising efforts.

Barbara E. Taylor

Taylor is director of programs and research at AGB. She was a primary researcher for AGB's study *Trustee Responsibility for Academic Affairs*. Previously, Taylor was assistant to the vice chancellor for academic programs, policy, and planning at the State University of New York and was a staff member in the office of provost at the Pennsylvania State University. She has published articles, book chapters, and case studies on higher education governance and finance and is author of the book, *Working Effectively With Trustees*.

Mary Wallace Wheat

Wheat serves on the board of Foothill-DeAnza Community College. She previously served on the board of Occidental University and thus brings a blend of public-private experience to the fund-raising role of board members. She has been recognized as an outstanding community college board member and has served in a leadership position for the California Community College Trustee Association. Wheat is a frequent conference speaker and AGB board-mentor for community college and other institution boards. She currently is vice chairperson of the AGB Board of Directors.

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Michael J. Worth

Worth is vice president for development at George Washington University. He is a noted expert in the area of fund-raising and the role of the board. He also is recognized for his work on the role of public institution foundation boards. Prior to assuming his position at George Washington, Worth was director of development at the University of Maryland.

Appendices

Results of a National Survey of College and University Fund-Raising Practices

By Barbara E. Taylor

As part of its project on strengthening trustee effectiveness in fund-raising, AGB undertook a survey of its member institutions' fund-raising practices. Surveys were mailed in August 1987 to the chief advancement officer of each institution, with a follow-up mailing to nonrespondents in October 1987. Appendices A and B summarize survey results by providing numerical averages (mean responses) to each question, by institutional control, type, and budget size. Survey responses by institution type and control were as follows:

Private Institutions	Surveys Mailed	Number Responding	Percent Response
4-year multicampus	20	5	25
4-year single campus	590	270	46
2-year	42	14	33
Theological seminary	41	24	59
Other specialized	35	22	63
Total Private	728	344	47
Public Institutions			
4-year multicampus	77	30	39
2-year multicampus	13	6	46
4-year single campus	131	48	37
2-year single campus	93	37	40
Total Public	314	126	40

Public and private institutions received slightly different versions of the survey, mostly to reflect the common practice among public colleges and universities of using separately incorporated foundations in the fund-raising effort. Each survey was divided into three parts. Part one, completed by all respondents, sought information on board and institutional characteristics, advancement staff and expenditures, participation in fund-raising by board members and other volunteers, and the amounts and sources of gift support for institutions.

The second part of the survey was completed by respondents whose institutions were in the midst of a capital campaign or had recently concluded a campaign. This portion of the survey considered the organization and staffing of capital campaigns.

The third and final section of the survey was directed only at those respondents whose campaigns were completed, and it sought information on volunteer participation in campaigns, the "quiet period," and campaign expenditures and receipts.

This three-pronged approach resulted in a sample that decreased in size from the first through the third part of the survey. And, because responses were also analyzed by institution type and budget size, the number of institutions within a given cell was sometimes very small. The tables on page 105 illustrate this situation.

The tables that follow omit mean data for any cell with fewer than five respondents. Moreover, the reader is cautioned to interpret with care data found even in somewhat larger cells. When the number of cases is small, the mean can be unduly influenced by particularly large or small values, and the resulting number may be misleading.

Appendix A includes results from private institutions, and Appendix B describes responses from the public sector.

Survey Response Rates by Institution Type and Budget Size	Total	TYPE OF INSTITUTION					TOTAL 1985-86 OPERATING BUDGET				
		Four Year Multi-Campus	Two Year	Four Year Single Campus	Specialized	Theological Seminary	Up to $10 million	Over $10 million less than $20 million	Over $20 million less than $50 million	Over $50 million less than $100 million	Over $100 million
Private institutions											
Survey Section											
1	344	5	14	270	24	22	127	90	61	16	25
2	248	5	8	202	15	12	82	73	52	10	17
3	134	1	5	109	8	8	46	41	26	4	9

Survey Response Rates by Institution type and Budget Size	Total	TYPE OF INSTITUTION				TOTAL 1985-86 OPERATING BUDGET				
		Four Year Multi-Campus	Two Year Multi-Campus	Four Year Single Campus	Two Year Single Campus	Up to $10 million	Over $10 million less than $20 million	Over $20 million less than $50 million	Over $50 million less than $100 million	Over $100 million
Public Institutions										
Survey Section										
1	126	30	6	48	37	16	20	20	8	25
2	39	7	0	21	9	7	6	6	2	12
3	21	4	0	9	7	5	5	1	0	8

Appendix A

SURVEY RESULTS—PRIVATE INSTITUTIONS

I. Organizational and Financial Characteristics of Boards and Institutions	Total	TYPE OF INSTITUTION					TOTAL 1985-86 OPERATING BUDGET				
		Four Year Multi-Campus	Two Year	Four Year Single Campus	Specialized	Theological Seminary	Up to $10 million	Over $10 million less than $20 million	Over $20 million less than $50 million	Over $50 million less than $100 million	Over $100 million
Please describe the composition of your governing board.											
Voting Members											
Total	30.2	20.8	20.6	31.3	23.6	30.6	27.5	30.8	33.7	28.6	35.1
Number who are alumni of the institution	12.2	5.0	4.2	13.5	5.9	8.2	8.2	12.2	18.2	11.7	21.9
Number who are current or retired members of the business community	16.1	12.6	10.8	17.1	12.3	10.2	13.0	16.9	18.2	17.9	26.6
Number who are appointed or elected by a sponsoring church	4.6	0	4.1	4.8	1.1	7.2	4.9	4.9	5.4	2.9	2.3
Emeritus/Honorary Members											
Total	7.5	2.6	2.0	8.3	5.9	3.0	4.3	7.6	9.7	12.8	15.8
Number who are alumni of the institution	3.0	1.2	.6	3.3	1.8	1.0	1.1	2.7	4.8	6.1	7.8
Number who are current or retired members of the business community	4.1	1.6	1.4	4.5	3.0	.9	1.9	4.5	5.6	7.2	10.0
Number who are appointed or elected by a sponsoring church	3	0	0	3	1	0	2	6	1	1	2
Does your governing board have a development committee?											
Percent replying yes	94.2	80.0	78.6	95.9	87.5	95.5	93.7	96.7	96.7	93.8	92.0

If yes, what is the total number of members?											
Total members	10.8	12.8	6.2	11.3	9.0	8.4	9.1	11.3	13.0	10.3	13.6
If yes, what is the total number of trustee members?											
Total trustee members	8.7	12.3	5.5	8.9	7.9	7.8	7.3	9.4	10.0	9.5	10.0
Does the institution have a formal, written long-range plan?											
Percent replying yes	72.1	80.0	78.6	72.2	83.3	63.6	72.4	66.7	75.4	62.5	84.0
If yes, does the plan include goals, schedules, and policies relating to fund-raising?											
Percent replying yes	79.4	100.0	72.7	82.1	50.0	85.7	77.2	78.3	76.1	90.1	81.0
If yes, does the plan describe the board's relationship to fund-raising goals and policies?											
Percent replying yes	43.1	50.0	18.2	45.6	30.0	50.0	40.2	40.0	39.1	60.0	47.6
What was the institution's total operating budget in 1985-86? (in thousands of dollars)											
Total operating budget	43558	35498	4099	66172	26283	46834	5187	14580	30414	66763	373219

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Appendix A

PRIVATE INSTITUTIONS

I. Organizational and Financial Characteristics (continued)	Total	TYPE OF INSTITUTION					TOTAL 1985-86 OPERATING BUDGET				
		Four Year Multi-Campus	Two Year	Four Year Single Campus	Specialized	Theological Seminary	Up to $10 million	Over $10 million less than $20 million	Over $20 million less than $50 million	Over $50 million less than $100 million	Over $100 million
What was the market value of the institution's endowment as of the end of the 1985-86 fiscal year? (in thousands of dollars)											
Market value of institution's endowment	61064	6008	1156	73996	3186	39911	5318	20249	52027	254576	414189
What percentage of the institution's 1985-86 operating budget was financed with:											
Gifts	10.5	9.0	6.5	10.0	8.2	24.2	15.9	8.3	6.7	5.1	7.3
Endowment income	7.0	1.6	1.9	6.5	3.1	20.5	6.8	6.5	7.3	12.8	7.3
What was the total value of deferred gifts (future expectancies) as of the end of the 1985-86 fiscal year? (in thousands of dollars)											
Total value of deferred gifts	7883	187925	511	7099	510	707	973	3776	4976	61062	38858

II. Advancement Expenditures and Staff	Total	TYPE OF INSTITUTION					TOTAL 1985-86 OPERATING BUDGET				
		Four Year Multi-Campus	Two Year	Four Year Single Campus	Specialized	Theological Seminary	Up to $10 million	Over $10 million less than $20 million	Over $20 million less than $50 million	Over $50 million less than $100 million	Over $100 million
What is the approximate annual budget for each of the following advancement functions, whether or not they are housed in your advancement office?											
Fund-raising	426636	104500	75436	480713	174669	166030	134796	317156	608824	793708	1899534
Public relations	128370	55000	187000	126815	748370	30699	62209	105303	173094	283945	251854
Alumni affairs	125725	14000	20514	147353	40690	13976	33478	90137	179784	326789	538697
Government relations	16341	0	189	20048	2943	1818	3271	4533	22803	16218	119511
Publications	80797	9000	21321	90834	25784	18065	25207	62459	104439	215264	331242
For each of the following advancement functions, approximately what percentage of that function's annual budget is spent on salaries and benefits?											
Fund-raising	53.1	13.4	47.4	55.2	48.8	44.7	54.2	57.6	53.2	51.6	49.6
Public relations	41.1	11.2	23.8	44.5	35.0	20.3	36.9	45.3	50.3	43.1	40.3
Alumni affairs	39.3	12.8	32.3	42.8	27.1	16.0	34.0	47.8	44.8	41.8	38.8
Government relations	9.7	0	6.8	10.7	11.1	0	5.4	6.9	16.1	14.7	21.2
Publications	13.1	2.8	5.6	14.5	5.3	6.8	9.8	14.2	16.1	21.8	23.9

Appendix A

PRIVATE INSTITUTIONS

II. Advancement Expenditures and Staff (continued)	Total	TYPE OF INSTITUTION					TOTAL 1985-86 OPERATING BUDGET				
		Four Year Multi-Campus	Two Year	Four Year Single Campus	Specialized	Theological Seminary	Up to $10 million	Over $10 million less than $20 million	Over $20 million less than $50 million	Over $50 million less than $100 million	Over $100 million
What is the total number of FTE support staff assigned to each of the following advancement functions?											
Fund-raising	5.4	2.4	.9	5.6	1.4	1.4	1.9	3.6	6.6	8.3	23.3
Public relations	1.5	.4	.5	1.5	.8	.5	.7	1.1	2.3	2.7	3.8
Alumni affairs	1.5	1.0	.3	1.7	.4	.3	.7	1.4	2.0	1.7	5.4
Government relations	.1	.4	.1	.1	0	0	.1	0	.2	.3	.3
Publications	.6	1.2	.1	6	3	2	.3	.4	6	1.6	2.4
What is the total number of FTE professional staff assigned to each of the following advancement functions?											
Fund-raising	5.6	2.2	1.1	6.3	2.3	1.5	2.8	4.0	7.0	7.6	23.6
Public relations	2.1	1.2	.7	2.3	1.5	4	.9	1.8	3.1	3.6	7.4
Alumni affairs	1.4	1.2	.6	1.6	.7	.2	.8	1.2	1.8	2.3	4.3
Government relations	.2	.4	.1	.2	.1	0	.1	.1	.2	.3	.8
Publications	.8	.4	.3	.9	.2	.2	.4	.6	1.0	1.4	2.4

What was the total budget of the advancement program in each of the following years?											
1982-83	340689	91600	71063	392164	98904	107378	110341	269031	600099	699114	1102648
1983-84	418413	101000	85727	478161	141437	126374	146686	321067	699137	907072	1394594
1984-85	488673	146800	87672	560433	146388	152002	146059	401698	805220	1131508	1634581
1985-86	561219	176440	96416	635439	251694	185599	191501	454407	895883	1186058	1908266
1986-87	635615	195900	135899	719108	272714	196582	213798	510733	971083	1459724	2228307
For how long has the institution had an organized fund-raising program?											
Number of years	24.4	8.8	22.6	26.0	13.6	14.5	17.9	27.1	33.6	19.6	29.6
For how long has the institution's chief advancement officer held his/her current position?											
Number of years	5.1	3.0	4.7	5.2	2.6	5.3	4.0	5.8	5.6	4.8	8.4
For how long has the chief advancement officer worked in this field?											
Number of years	11.9	18.6	6.6	12.2	8.1	9.4	9.1	13.9	13.4	14.8	15.5

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II. Advancement Expenditures and Staff (continued)	Total	TYPE OF INSTITUTION					TOTAL 1985-86 OPERATING BUDGET				
		Four Year Multi-Campus	Two Year	Four Year Single Campus	Specialized	Theological Seminary	Up to $10 million	Over $10 million less than $20 million	Over $20 million less than $50 million	Over $50 million less than $100 million	Over $100 million
How many permanent chief advancement officers has the institution employed during the last 10 years?											
Number of officers employed	2.5	1.4	2.7	2.6	2.7	1.8	2.7	2.6	2.2	2.0	2.4
Does the chief advancement officer or any members of his/her staff attend board meetings?											
Yes, chief advancement officer attends	88.1	60.0	57.1	90.0	87.5	95.5	85.8	92.2	95.1	87.5	88.0
Yes, staff members attend	26.2	20.0	14.3	27.4	20.8	27.3	18.1	30.0	29.5	37.5	40.0
No, neither attends	9.0	20.0	42.9	7.4	8.3	0	11.8	5.6	4.9	12.5	12.0
Does the chief advancement officer or any members of his/her staff attend meetings of the board's development committee?											
Yes, chief advancement officer attends	95.3	80.0	78.6	96.3	100.0	90.9	92.9	97.8	96.7	100.0	96.0
Yes, staff members attend	63.7	60.0	28.6	68.5	50.0	36.4	52.8	71.1	78.7	75.0	68.0
No, neither attends	2.0	0	14.3	1.9	0	0	3.1	2.2	0	0	4.0

Does the chief advancement officer or any members of his/her staff communicate directly with members of the board of trustees?											
Yes, chief advancement officer communicates	94.5	40.0	85.7	96.3	95.8	86.4	91.3	97.8	98.4	87.5	96.0
Yes, staff members communicate	63.1	20.0	14.3	70.0	50.0	31.8	44.1	71.1	86.9	50.8	84.0
No, neither communicates	2.6	0	14.3	2.6	0	0	3.1	3.3	1.6	0	4.0

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III. Participation in Advancement Activities	Total	TYPE OF INSTITUTION					TOTAL 1985-86 OPERATING BUDGET				
		Four Year Multi-Campus	Two Year	Four Year Single Campus	Specialized	Theological Seminary	Up to $10 million	Over $10 million less than $20 million	Over $20 million less than $50 million	Over $50 million less than $100 million	Over $100 million
Approximately what percentage of the time of each of the following individuals/officers is devoted to direct fund-raising activity?											
Alumni affairs	18.6	62.2	13.4	19.4	21.3	5.0	22.0	15.0	12.6	27.2	22.0
Chief executive of the institution	27.8	23.0	27.7	28.5	27.9	22.7	29.9	27.6	26.4	25.0	23.7
Chief academic officer	4.5	13.0	1.4	4.8	4.6	.7	2.7	5.2	5.5	6.2	8.0
Legal counsel	1.9	10.0	.1	1.9	2.3	.5	2.1	1.7	2.2	1.4	2.1
Which of the following volunteers, if any, are used in the institution's regular fund-raising activities?											
Percent of respondents checking each of the following:											
Trustees	95.3	100.0	71.4	97.0	100.0	86.4	92.9	98.9	98.4	93.8	92.0
Alumni	95.3	80.0	85.7	97.8	87.5	81.8	90.6	98.9	100.0	100.0	96.0
Faculty	74.1	80.0	35.7	77.8	54.2	68.2	69.3	74.4	75.4	93.8	92.0
Students	74.4	60.0	21.4	78.9	66.7	59.1	63.0	87.8	82.0	87.5	72.0
Parents	63.4	60.0	21.4	71.5	33.3	9.1	34.6	83.3	85.2	81.3	80.0
"Friends" of the institution	82.6	80.0	71.4	84.4	79.2	72.7	83.5	78.9	82.0	87.5	100.0

IV. Gift Support for Institutions: Amounts, Purposes, and Sources	Total	TYPE OF INSTITUTION					TOTAL 1985-86 OPERATING BUDGET				
		Four Year Multi-Campus	Two Year	Four Year Single Campus	Specialized	Theological Seminary	Up to $10 million	Over $10 million less than $20 million	Over $20 million less than $50 million	Over $50 million less than $100 million	Over $100 million
How much did the institution raise in gift support for current operations in each of the following years? (in dollars)											
1981-82	1454875	527728	182195	1441340	381103	721173	459597	727406	1195694	1802906	7405488
1982-83	1769770	452186	198150	1846972	390625	359348	441524	842369	1591407	2063289	9998661
1983-84	1911720	473146	200961	1942218	845433	447452	472677	876274	1711250	2246010	10659797
1984-85	2145981	733739	279464	2225183	890022	489697	511003	961105	2075603	2335205	11782118
1985-86	2299385	594517	254427	2649871	793133	571524	613066	1043431	2372142	2758642	13962609
How much did the institution raise in gift support for capital purposes in each of the following years? (in dollars)											
1981-82	1545406	215157	99514	1644188	579747	421370	260299	1316015	1568696	2821807	7178146
1982-83	1583052	40724	163559	1808641	940972	663078	302655	1221119	1854176	3278040	8596436
1983-84	1691917	128826	197128	1981554	289481	721369	378320	1170340	1614847	3503761	9701390
1984-85	2005861	528020	207093	2359066	547270	635079	437550	1320367	2089802	4485994	11268593
1985-86	2475993	462466	212951	2974546	850817	402338	455805	2050231	2593307	4493695	13678848

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IV. Gift Support for Institutions (continued)	Total	TYPE OF INSTITUTION					TOTAL 1985-86 OPERATING BUDGET				
		Four Year Multi-Campus	Two Year	Four Year Single Campus	Specialized	Theological Seminary	Up to $10 million	Over $10 million less than $20 million	Over $20 million less than $50 million	Over $50 million less than $100 million	Over $100 million
What percentage of total 1985-86 gift support was obtained from each of the following sources?											
Trustees	11.7	3.8	7.8	12.4	9.1	9.8	13.3	11.4	11.1	13.8	6.9
Alumni (non-trustees)	22.5	8.8	18.5	22.9	34.0	7.4	20.2	21.9	27.4	17.5	24.7
Other individual donors	18.1	17.4	32.2	16.7	16.6	30.8	20.0	18.2	15.6	17.6	18.1
Bequests	8.2	1.6	5.1	8.5	9.7	7.8	6.5	10.0	9.4	6.3	5.9
Foundations	15.2	14.6	8.3	16.0	18.0	7.8	13.7	16.9	14.9	16.6	17.2
Corporations	13.5	36.0	14.9	13.9	8.8	3.2	10.2	12.3	14.1	25.9	24.0
Other	11.0	17.8	13.3	9.8	4.1	33.2	16.2	9.5	7.7	2.6	3.6
Are governing board members asked to make financial contributions to the institution?											
Percent replying yes	97.1	100.0	85.7	98.1	95.8	90.9	96.1	97.8	100.0	100.0	100.0
If yes, who solicits trustee contributions?											
Percent of respondents checking each of the following:											
Chief executive	62.0	60.0	50.0	64.2	52.2	50.0	66.4	59.1	67.2	81.3	44.0

IV. Gift Support for Institutions (continued)	Total	TYPE OF INSTITUTION					TOTAL 1985-86 OPERATING BUDGET				
		Four Year Multi-Campus	Two Year	Four Year Single Campus	Specialized	Theological Seminary	Up to $10 million	Over $10 million less than $20 million	Over $20 million less than $50 million	Over $50 million less than $100 million	Over $100 million
Board chairperson	61.1	60.0	41.7	61.9	78.3	35.0	59.8	55.7	68.9	62.5	72.0
Other trustees	61.1	20.0	50.0	61.5	60.9	65.0	54.1	61.4	78.7	56.3	68.0
Advancement officers	52.1	20.0	50.0	55.1	47.8	25.0	45.9	53.4	63.9	56.3	48.0
Other	3.0	-0	0	3.8	0	0	.8	4.5	4.9	0	4.0
What percentage of each of the following groups provided gift support to the institution in 1985–86?											
Voting trustees	83.3	80.2	75.5	84.9	71.9	79.7	79.6	88.0	85.9	85.2	81.1
Emeritus/honorary trustees	45.0	16.0	20.0	47.5	43.5	27.2	31.9	58.7	51.3	61.8	49.4
What percentage of 1985–86 gift support was obtained in each of the following forms?											
Cash and other liquid assets	88.6	80.6	95.3	87.9	83.7	98.4	89.8	88.9	90.4	83.9	77.5
Pledges	7.9	18.4	3.8	7.7	17.4	1.0	9.6	7.1	5.0	8.1	13.2
Other	2.8	0	.2	3.1	2.5	.5	2.1	2.1	3.8	3.4	8.2

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V. Organization of Capital Campaigns	Total	TYPE OF INSTITUTION					TOTAL 1985-86 OPERATING BUDGET				
		Four Year Multi-Campus	Two Year	Four Year Single Campus	Specialized	Theological Seminary	Up to $10 million	Over $10 million less than $20 million	Over $20 million less than $50 million	Over $50 million less than $100 million	Over $100 million
Has the institution completed a capital campaign within the last five years?											
Percent replying "yes"	39.0	20.0	35.7	40.4	33.3	36.4	36.2	45.6	42.6	25.0	36.0
If yes, what was the length of the campaign? (in years)	4.3	*	*	4.4	*	3.8	3.3	4.5	5.1	*	7.4
Is the institution currently conducting a capital campaign?											
Percent replying "yes"	55.6	*	37.5	58.9	46.7	28.6	45.6	66.7	74.3	50.0	50.0
If yes, what is the planned length of the campaign, in years?	4.8	*	*	4.9	4.6	3.8	4.4	5.0	4.8	4.8	4.8
Was the campaign undertaken to raise:											
Percent replying											
Capital funds (for endowment and/or plant)	39.9	80.0	37.5	29.2	53.3	83.3	41.5	34.2	25.0	40.0	35.3
Operating funds (for current needs)	8	0	0	1.0	0	0	2.4	0	0	0	0
Both capital and operating funds	59.7	20.0	62.5	66.3	33.3	16.7	51.2	65.8	71.2	60.0	52.9

* *Fewer than five responses.*

What is/was the campaign goal? (in thousands of dollars)											
Campaign goal	29183	5900	7973	33882	6489	6796	7287	17514	30515	27450	186573
Was a special board campaign committee established to oversee the campaign?											
Percent replying "yes"	69.4	*	50.0	70.8	53.3	66.7	65.9	68.5	73.1	*	70.6
If a special campaign committee was established, how many of its members came from each of the following constituencies?											
The board's development committee	4.3	2.3	1.5	4.7	1.8	2.4	3.7	4.4	5.3	5.0	4.5
Other trustees	3.9	3.0	1.3	3.9	1.8	2.9	4.6	3.3	3.5	1.3	5.8
Faculty	1.2	5.0	.3	1.3	0	.4	1.8	1.1	.8	3.1	.5
All others	6.6	35.1	5.8	6.0	.3	3.6	4.5	7.3	6.4	20.3	3.2
Did the institution conduct a feasibility study prior to undertaking the campaign?											
Percent replying "yes"	66.5	100.0	50.0	68.8	40.0	66.7	67.1	67.1	69.2	70.0	58.8
If yes, how many months in advance of the campaign was the study begun?	11.9	10.6	8.3	12.0	15.7	10.5	11.1	11.3	13.2	12.3	15.0

* *Fewer than five responses.*

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V. Organization of Capital Campaigns (continued)	Total	TYPE OF INSTITUTION					TOTAL 1985-86 OPERATING BUDGET				
		Four Year Multi-Campus	Two Year	Four Year Single Campus	Specialized	Theological Seminary	Up to $10 million	Over $10 million less than $20 million	Over $20 million less than $50 million	Over $50 million less than $100 million	Over $100 million
Did the institution use an outside fund-raising consultant prior to or during the campaign?											
Percent replying "yes"	78.2	60.0	50.0	80.2	73.3	75.0	74.4	82.2	82.7	60.0	88.2
What four persons or groups were most influential in establishing the "needs list" for the campaign?											
Percent of respondents checking each of the following:											
Campaign committee	22.2	40.0	25.0	23.3	13.3	16.7	24.4	20.5	23.1	20.0	17.6
Board chairperson	19.0	20.0	12.5	20.3	13.3	0	19.5	19.2	19.2	20.0	11.8
Executive committee of the board	29.4	60.0	12.5	29.7	26.7	33.3	30.5	34.2	19.2	20.0	47.1
Development committee	28.2	20.0	25.0	28.7	13.3	41.7	39.0	27.4	19.2	30.0	11.8
Other board committees	10.9	0	12.5	10.9	0	33.3	11.0	11.0	11.5	0	11.8
The full board	27.8	60.0	25.0	25.2	53.3	41.7	32.9	24.7	36.5	20.0	5.9
Advancement office	55.6	80.0	62.5	55.4	33.3	58.3	53.7	53.4	57.7	60.0	58.8
Chief executive	86.3	80.0	87.5	86.6	80.0	100.0	84.1	87.7	90.4	70.0	88.2
Chief academic officer	31.5	0	12.5	34.2	26.7	16.7	22.0	23.3	50.0	30.0	52.9
Faculty committee	30.2	20.0	0	33.2	20.0	25.0	18.3	28.8	46.2	20.0	52.9

VI. Capital Campaign Staff	Total	TYPE OF INSTITUTION					TOTAL 1985-86 OPERATING BUDGET				
		Four Year Multi-Campus	Two Year	Four Year Single Campus	Specialized	Theological Seminary	Up to $10 million	Over $10 million less than $20 million	Over $20 million less than $50 million	Over $50 million less than $100 million	Over $100 million
What was the size of the advancement program staff immediately before the campaign was planned?											
Number of professionals	5.0	2.6	1.6	5.6	2.7	2.6	2.3	4.3	5.6	5.3	19.8
Number of support staff	4.8	2.4	1.6	5.3	2.0	2.8	2.1	3.9	5.1	4.9	20.8
What is/was the size of the advancement program staff during the campaign?											
Number of professionals	6.7	2.0	2.0	7.6	3.5	2.6	2.8	5.5	8.1	7.2	27.1
Number of support staff	6.2	2.4	1.9	6.8	4.5	3.3	2.8	4.8	7.7	6.7	24.5

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VII. Volunteer Participation in Campaigns	Total	TYPE OF INSTITUTION					TOTAL 1985-86 OPERATING BUDGET				
		Four Year Multi-Campus	Two Year	Four Year Single Campus	Specialized	Theological Seminary	Up to $10 million	Over $10 million less than $20 million	Over $20 million less than $50 million	Over $50 million less than $100 million	Over $100 million
Which of the following groups, if any, volunteered in the implementation of the campaign?											
Percent of respondents checking each of the following:											
Trustees	76.9	*	20.0	77.1	87.5	87.5	80.4	78.0	76.9	*	77.8
Alumni (non-trustees)	62.7	*	40.0	66.1	37.5	62.5	56.5	68.3	65.4	*	77.8
Faculty	36.6	*	20.0	34.9	50.0	50.0	37.0	39.0	30.8	*	44.4
Students	19.4	*	0	19.3	25.0	37.5	19.6	17.1	19.2	*	22.2
Parents of students	19.4	*	0	22.0	12.5	0	13.0	22.0	23.1	*	33.3
"Friends" of the institution	56.0	*	40.0	55.0	75.0	50.0	65.2	65.9	30.8	*	55.6
Who solicited trustee gifts to the campaign?											
Percent of respondents checking each of the following:											
Chief executive	50.7	*	20.0	48.6	75.0	62.5	56.5	46.3	46.2	*	66.7
Board chairperson	47.0	*	0	46.8	50.0	50.0	45.7	43.9	53.8	*	66.7
Other trustees	50.0	*	20.0	48.6	37.5	87.5	43.5	48.8	57.7	*	66.7
Advancement officers	34.3	*	20.0	35.8	12.5	50.0	43.5	31.7	30.8	*	11.1

* *Fewer than five responses*

Faculty members	1.5	*	0	.9	0	12.5	2.2	2.4	0	*	0
What percentage of the institution's trustees participated actively in prospect identification for the campaign?											
Percentage actively participating	27.9	*	*	27.9	22.1	*	26.1	27.1	26.3	*	53.3
Did the advancement program staff work with participating trustees in prospect solicitation?											
Percent replying yes	64.9	*	40.0	69.7	37.5	37.5	54.3	73.2	65.4	*	77.8
Did the advancement program staff work with participating trustees in closing?											
Percent replying yes	55.2	*	20.0	60.6	37.5	25.0	50.0	58.5	57.7	*	77.8
Did the chief executive and/or another member of the institution's staff accompany trustees during cultivation and closing?											
Percent replying "yes"	32.1	*	20.0	36.7	0	12.5	26.1	34.1	42.3	*	44.4
Percent replying "sometimes"	38.1	*	20.0	35.8	75.0	25.0	37.0	39.0	34.6	*	33.3

* *Fewer than five responses.*

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VIII. The "Quiet Period"	Total	TYPE OF INSTITUTION					TOTAL 1985-86 OPERATING BUDGET				
		Four Year Multi-Campus	Two Year	Four Year Single Campus	Specialized	Theological Seminary	Up to $10 million	Over $10 million less than $20 million	Over $20 million less than $50 million	Over $50 million less than $100 million	Over $100 million
What was the length, in months, of the "quiet period" between the board's approval of the campaign and its announcement to the public?											
Length of "quiet period" (in months)	12.6	*	*	13.0	*	9.6	6.5	12.6	20.9	*	19.7
What percentage of the total campaign goal was set to be raised during the "quiet period?"											
Percentage set to be raised	35.0	*	*	35.5	*	39.0	35.3	34.0	39.4	*	26.6
What percentage of the campaign goal was actually raised during the "quiet period?"											
Percentage actually raised	34.8	*	*	35.0	*	40.8	35.0	34.8	38.3	*	30.0
What percentage of the amount raised during the "quiet period" was contributed by trustees of the institution?											
Percentage contributed by trustees	40.9	*	*	40.4	*	52.8	42.7	33.1	45.7	*	41.0

* *Fewer than five responses.*

IX. Campaign Expenditures and Receipts	Total	TYPE OF INSTITUTION					TOTAL 1985-86 OPERATING BUDGET				
		Four Year Multi-Campus	Two Year	Four Year Single Campus	Specialized	Theological Seminary	Up to $10 million	Over $10 million less than $20 million	Over $20 million less than $50 million	Over $50 million less than $100 million	Over $100 million
What was the total budget for the campaign? (in dollars)											
Total budget	696094	*	*	820353	*	98083	167972	319356	611160	*	4527339
What did the campaign actually cost? (in dollars)											
Campaign cost	781610	*	*	903440	*	82408	211611	373955	887208	*	6164583
How much was raised during the entire campaign? (in thousands of dollars)											
Amount raised	25350	*	*	27223	20447	4669	5820	12936	49509	*	113579
What percentage of the institution's governing board members made campaign contributions?											
Percentage of board members making contributions	88.9	*	*	89.6	84.4	95.3	88.7	87.9	85.6	*	94.1
What percentage of the total campaign receipts was obtained from each of the following sources?											
Trustees	16.6	*	*	17.2	14.8	*	22.2	14.1	15.4	*	9.1

** Fewer than five responses*

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IX. Campaign Expenditures and Receipts (continued)	Total	TYPE OF INSTITUTION					TOTAL 1985-86 OPERATING BUDGET				
		Four Year Multi-Campus	Two Year	Four Year Single Campus	Specialized	Theological Seminary	Up to $10 million	Over $10 million less than $20 million	Over $20 million less than $50 million	Over $50 million less than $100 million	Over $100 million
Alumni (non-trustees)	12.2	*	*	22.5	11.2	*	13.0	23.0	26.1	*	25.6
Other individual donors	19.3	*	*	18.4	27.4	*	23.6	19.6	18.2	*	14.0
Bequests	7.5	*	*	7.9	8.8	*	6.5	6.6	9.8	*	10.1
Corporations	11.9	*	*	11.8	15.0	*	10.3	13.5	10.1	*	13.3
Foundations	16.0	*	*	15.4	12.4	*	18.3	14.0	14.7	*	23.6
Other	7.5	*	*	6.8	10.4	*	6.1	9.1	5.8	*	3.7
What percentage of total campaign receipts was obtained in each of the following forms?											
Cash and other liquid assets	63.2	*	*	61.5	57.4	*	68.0	56.3	60.0	*	66.3
Pledges	25.3	*	*	26.1	32.0	*	25.8	28.9	24.9	*	18.8
Gifts in kind	2.4	*	*	2.4	1.4	*	1.4	2.4	2.8	*	5.2
Deferred giving	8.0	*	*	9.1	2.0	*	4.6	10.9	9.2	*	9.5
Other	1.3	*	*	1.0	7.2	*	.2	1.6	3.4	*	.2

* *Fewer than five responses.*

Appendix B

SURVEY RESULTS—PUBLIC INSTITUTIONS

I. Organizational Characteristics of Boards and Institutions	Total	TYPE OF INSTITUTION				TOTAL 1985-86 OPERATING BUDGET				
		Four Year Multi-Campus	Two Year Multi-Campus	Four Year Single Campus	Two Year Single Campus	Up to $10 million	Over $10 million less than $20 million	Over $20 million less than $50 million	Over $50 million less than $100 million	Over $100 million
Please describe the composition of your governing board.										
Voting Members										
Total	11.6	13.8	10.8	11.9	8.7	8.2	10.8	10.6	18.6	14.2
Number who are alumni of the institution	3.2	5.0	.7	4.3	.9	.9	1.3	2.3	7.6	8.0
Number who are current or retired members of the business community	5.4	6.0	6.0	5.8	3.5	4.3	5.6	4.2	9.5	8.0
Emeritus/Honorary Members										
Total	1.1	1.5	.2	.5	.5	1.1	.4	.3	1.2	1.9
Number who are alumni of the institution	.5	.5	0	.9	0	.1	0	0	0	1.2
Number who are current or retired members of the business community	.3	.7	0	.3	0	0	.1	.1	1.1	1.1
Does your governing board have a development committee?										
Percent replying "yes"	25.4	23.3	*	39.6	10.8	18.8	30.0	40.0	25.0	44.0
If yes, what is the total number of members?	6.9	9.1	*	6.2	5.8	5.0	5.2	6.6	3.5	9.4
If yes, what is the total number of trustee members?	5.1	9.0	*	3.8	1.5	.3	4.2	3.5	3.5	8.5

* *Fewer than five responses*

Does your institution have a separately incorporated foundation which is involved with fund-raising?										
Percent replying "yes"	79.4	60.0	66.7	89.6	89.2	100.0	100.0	85.0	75.0	68.0
If yes, are trustees included on the foundation board?										
Yes, as mandated by foundation bylaws	43.0	38.9	50.0	44.2	42.4	43.8	40.0	41.2	33.3	52.9
Yes, as mandated by board by-laws	5.0	11.1	0	4.7	0	6.3	0	0	16.7	5.9
Yes, at the discretion of the foundation	22.0	16.7	25.0	23.3	24.2	25.0	25.0	29.4	16.7	17.6
If yes, is the governing board provided with regular information about the foundation's work?										
Percent replying "yes"	89.0	77.8	75.0	93.0	90.9	93.8	90.0	82.4	100.0	94.1
Does the institution have a formal written long-range plan?										
Percent replying "yes"	74.6	63.3	83.3	79.2	75.7	75.0	85.0	90.0	75.0	72.0
If yes, does the plan include goals, schedules, and policies relating to fund-raising?	58.5	52.6	60.0	76.3	39.3	58.3	58.8	44.4	83.3	72.2

Appendix B PUBLIC INSTITUTIONS

I. Organizational Characteristics of Boards and Institutions (continued)	Total	TYPE OF INSTITUTION				TOTAL 1985-86 OPERATING BUDGET				
		Four Year Multi-Campus	Two Year Multi-Campus	Four Year Single Campus	Two Year Single Campus	Up to $10 million	Over $10 million less than $20 million	Over $20 million less than $50 million	Over $50 million less than $100 million	Over $100 million
Does the plan describe the governing board's relationship to fund-raising goals and policies?										
Percent replying "yes"	24 5	15 8	20 0	36 8	17 9	16 7	23 5	16.7	33 3	38 9
Does the plan describe the foundation board's relationship to fund-raising goals and policies?										
Percent replying "yes"	29 8	21 1	60 0	36 8	21 4	33 3	23 5	22 2	50 0	38 9
What was the institution's total operating budget in 1985-86? (in thousands of dollars)										
Total operating budget	109098	291709	89270	95261	15849	5228	15933	34387	67056	327694
What was the market value of the institution's endowment as of the end of the 1985-86 fiscal year? (in thousands of dollars)										
Market value of institution's endowment	17708	30589	134	27035	373	669	793	3874	4099	54193

What percentage of the institution's 1985–86 operating budget was financed with:										
Gifts	2.0	1.9	.2	3.8	.3	.8	5.5	1.3	1.9	2.8
Endowment income	.5	.3	.2	1.2	0	1	.5	1.5	.9	.7
What was the total value of deferred gifts (future expectancies) as of the end of the 1985–86 fiscal year? (in thousands of dollars)										
Total value of deferred gifts	2831	5593	0	3599	189	437	329	349	1227	9811

Appendix B

PUBLIC INSTITUTIONS

II. Advancement Expenditures and Staff	Total	TYPE OF INSTITUTION				TOTAL 1985-86 OPERATING BUDGET				
		Four Year Multi-Campus	Two Year Multi-Campus	Four Year Single Campus	Two Year Single Campus	Up to $10 million	Over $10 million less than $20 million	Over $20 million less than $50 million	Over $50 million less than $100 million	Over $100 million
What is the approximate annual budget for each of the following advancement functions, whether or not they are housed in your advancement office?										
Fund-raising	689292	1539974	*	710434	73192	80245	136320	133498	440857	1569704
Public relations	216064	246343	*	274523	103539	46641	141571	160509	150952	586122
Alumni affairs	221963	330393	*	314963	16790	394774	20583	46851	118311	565690
Government relations	26046	42296	*	34416	2460	2400	5282	22529	68793	70915
Publications	75946	58898	*	125425	45752	14244	40814	91016	83363	131405
For each of the following advancement functions, approximately what percentage of that function's annual budget is spent on salaries and benefits?										
Fund-raising	40.2	30.4	31.7	50.6	34.2	46.9	42.5	63.0	49.9	50.8
Public relations	30.5	25.7	10.0	39.8	23.3	35.1	25.3	47.7	35.4	36.5
Alumni affairs	29.0	24.3	0	37.9	25.0	20.8	25.3	49.6	39.8	29.7
Government relations	16.7	15.7	15.8	22.8	9.9	5.6	9.8	32.8	38.0	28.6
Publications	13.2	9.7	8.3	18.8	11.5	12.4	19.5	12.3	28.9	14.0

* *Fewer than five responses.*

What is the total number of FTE support staff assigned to each of the following advancement functions?										
Fund-raising	4.8	6.4	1.8	6.1	.6	1.4	.9	2.1	2.4	14.8
Public relations	3.1	3.1	1.2	4.4	.5	1.0	.8	1.3	3.8	8.0
Alumni affairs	2.0	2.9	0	2.1	.4	.7	.5	1.1	1.3	5.2
Government relations	.3	.5	.2	.4	0	.4	.1	.3	.5	.8
Publications	.6	.4	0	.9	.5	.3	.4	.8	1.1	.6
What is the total number of FTE professional staff assigned to each of the following advancement functions?										
Fund-raising	3.3	5.9	1.5	3.7	.6	1.1	1.1	1.5	2.0	9.7
Public relations	2.8	3.7	1.0	3.5	.8	1.2	1.0	2.3	1.5	8.4
Alumni affairs	1.5	2.8	0	1.5	.5	.4	.4	.8	1.0	4.6
Government relations	.4	.8	.7	.5	.1	.4	.2	.3	.5	1.1
Publications	.6	.7	.2	.8	.4	.6	.6	.6	.8	1.0
What was the total budget of the advancement program in each of the following years?										
1982-83	320956	512082	39167	398612	36274	61507	71930	155411	377253	1149067
1983-84	360642	626364	48333	407100	56716	102192	111957	182477	472308	1218808
1984-85	546356	748015	53000	794327	77453	111348	155469	302885	537626	1600655

Appendix B

PUBLIC INSTITUTIONS

II. Advancement Expenditures and Staff (continued)	Total	TYPE OF INSTITUTION				TOTAL 1985-86 OPERATING BUDGET				
		Four Year Multi-Campus	Two Year Multi-Campus	Four Year Single Campus	Two Year Single Campus	Up to $10 million	Over $10 million less than $20 million	Over $20 million less than $50 million	Over $50 million less than $100 million	Over $100 million
1985-86	610786	1011030	64167	720311	161939	142884	211128	464070	589934	1972493
1986-87	732871	1186172	92500	902895	173034	184417	237641	498360	885816	2299289
For how long has the institution had an organized fund-raising program?										
Number of years	9.9	12.6	2.8	12.9	4.2	7.7	6.0	7.6	14.4	22.2
For how long has the institution's chief advancement officer held his/her current position?										
Number of years	4.5	4.3	2.7	4.8	4.2	5.2	4.3	4.1	5.3	5.9
For how long has the chief advancement officer worked in this field?										
Number of years	10.5	12.3	6.7	12.4	7.7	6.9	11.2	9.4	15.0	12.9
How many permanent chief advancement officers has the institution employed during the last 10 years?										
Number of officers employed	1.5	1.4	1.8	1.6	1.3	1.6	1.5	1.5	1.4	1.8

Does the chief advancement officer or any members of his/her staff attend governing board meetings?										
Yes, chief advancement officer attends	65.9	60.0	66.7	77.1	54.1	75.0	65.0	70.0	75.0	88.0
Yes, staff members attend	26.2	30.0	33.3	29.2	18.9	18.8	30.0	25.0	62.5	32.0
No, neither attends	11.9	6.7	0	16.7	13.5	12.5	25.0	25.0	0	0
Does the chief advancement officer or any members of his/her staff attend meetings of the board's development committee?										
Yes, chief advancement officer attends	57.1	46.7	33.3	72.9	48.6	43.8	70.0	65.0	50.0	80.0
Yes, staff members attend	32.5	23.3	33.3	50.0	16.2	25.0	30.0	40.0	37.5	52.0
No, neither attends	7.1	3.3	0	12.5	5.4	12.5	5.0	15.0	0	4.0
Does the chief advancement officer or any members of his/her staff attend meetings of the foundation board?										
Yes, chief advancement officer attends	74.6	60.0	66.7	87.5	73.0	93.8	95.0	75.0	75.0	80.0
Yes, staff members attend	46.0	36.7	66.7	64.6	24.3	50.0	45.0	45.0	75.0	56.0
No, neither attends	1.6	0	0	2.1	2.7	0	0	5.0	0	0

Appendix B

PUBLIC INSTITUTIONS

II. Advancement Expenditures and Staff (continued)	Total	TYPE OF INSTITUTION				TOTAL 1985-86 OPERATING BUDGET				
		Four Year Multi-Campus	Two Year Multi-Campus	Four Year Single Campus	Two Year Single Campus	Up to $10 million	Over $10 million less than $20 million	Over $20 million less than $50 million	Over $50 million less than $100 million	Over $100 million
Does the chief advancement officer or any members of his/her staff communicate directly with members of the board of trustees?										
Yes, chief advancement officer communicates	69.8	70.0	66.7	79.2	59.5	56.3	85.0	80.0	75.0	88.0
Yes, staff members communicate	31.0	26.7	50.0	43.8	16.2	12.5	20.0	30.0	75.0	36.0
No, neither communicates	8.7	0	0	10.4	16.2	31.3	10.0	10.0	0	0
Does the chief advancement officer or any members of his/her staff communicate directly with members of the foundation board?										
Yes, chief advancement officer communicates	73.8	60.0	66.7	87.5	73.0	87.5	95.0	85.0	75.0	72.0
Yes, staff members communicate	44.4	33.3	50.0	62.5	27.0	43.8	40.0	45.0	62.5	60.0
No, neither communicates	1.6	0	0	0	5.4	6.3	0	0	0	0

III. Participation in Advancement Activities	Total	TYPE OF INSTITUTION				TOTAL 1985-86 OPERATING BUDGET				
		Four Year Multi-Campus	Two Year Multi-Campus	Four Year Single Campus	Two Year Single Campus	Up to $10 million	Over $10 million less than $20 million	Over $20 million less than $50 million	Over $50 million less than $100 million	Over $100 million
Approximately what percentage of the time of each of the following individuals/offices is devoted to direct fund-raising activity?										
Alumni affairs	10.1	6.8	2	16.2	6.8	11.6	3.2	23.1	8.8	14.9
Chief executive of the institution	11.8	16.8	5.2	14.3	6.1	7.6	10.1	12.8	8.8	21.0
Chief academic officer	3.8	4.8	2	6.3	.8	1.8	4.7	6.2	2.5	5.0
Legal counsel	.8	1.0	.3	.8	.8	.8	.9	.8	.9	1.7
Which of the following volunteers, if any, are used in the institution's regular fund-raising activities?										
Percent of respondents checking each of the following:										
Governing board members	38.9	30.0	16.7	56.3	24.3	18.8	35.0	50.0	50.0	56.0
Foundation board members	68.3	50.0	66.7	81.3	70.3	87.5	90.0	75.0	62.5	68.0
Alumni	65.9	53.3	16.7	91.7	51.4	75.0	70.0	80.0	62.5	80.0
Faculty	57.1	46.7	33.3	75.0	51.4	43.8	65.0	75.0	62.5	80.0
Students	38.9	33.3	0	54.2	32.4	25.0	35.0	35.0	25.0	68.0

Appendix B

PUBLIC INSTITUTIONS

III. Participation in Advancement Activities (continued)	Total	TYPE OF INSTITUTION				TOTAL 1985-86 OPERATING BUDGET				
		Four Year Multi-Campus	Two Year Multi-Campus	Four Year Single Campus	Two Year Single Campus	Up to $10 million	Over $10 million less than $20 million	Over $20 million less than $50 million	Over $50 million less than $100 million	Over $100 million
Parents	20.6	13.3	0	35.4	10.8	0	20.0	15.0	12.5	44.0
"Friends" of the institution	65.1	50.0	50.0	87.5	51.4	68.8	70.0	75.0	62.5	76.0

IV. Gift Support for Institutions: Amounts, Purposes, and Sources	Total	TYPE OF INSTITUTION				TOTAL 1985-86 OPERATING BUDGET				
		Four Year Multi-Campus	Two Year Multi-Campus	Four Year Single Campus	Two Year Single Campus	Up to $10 million	Over $10 million less than $20 million	Over $20 million less than $50 million	Over $50 million less than $100 million	Over $100 million
How much did the institution raise in gift support for current operations in each of the following years? (in dollars)										
1981-82	1955786	2987879	21050	2741227	27270	775818	28300	222731	439665	5532471
1982-83	2173451	3832804	39567	2740199	38190	922740	59479	286001	747794	6589372
1983-84	2647175	4340949	154233	3265823	82676	1723026	82488	434654	925528	7641838
1984-85	2966789	5918135	157343	3456291	107882	326183	96333	534128	1051811	10121756
1985-86	3486198	6797639	201170	4010533	216803	325501	149626	810340	1113859	12120156
How much did the institution raise in gift support for capital purposes in each of the following years? (in dollars)										
1981-82	785661	1829714	0	909298	12312	68938	27425	40413	124752	3388134
1982-83	1161972	2377847	0	1563515	11511	195131	23328	84585	103053	4938508
1983-84	1192903	1871907	0	1931254	29882	154978	52067	77276	206550	4108953
1984-85	1295924	2686821	0	1668244	66771	267386	30481	154496	97780	4599685
1985-86	1647345	3454831	0	2100634	173553	155795	89632	206251	183748	6129269

Appendix B

PUBLIC INSTITUTIONS

IV. Gift Support for Institutions: Amounts, Purposes, and Sources (continued)	Total	TYPE OF INSTITUTION				TOTAL 1985-86 OPERATING BUDGET				
		Four Year Multi-Campus	Two Year Multi-Campus	Four Year Single Campus	Two Year Single Campus	Up to $10 million	Over $10 million less than $20 million	Over $20 million less than $50 million	Over $50 million less than $100 million	Over $100 million
Are governing board members asked to make financial contributions to the institution?										
Percent replying "yes"	57.9	46.7	33.3	79.2	43.2	56.3	65.0	65.0	75.0	72.0
If yes, who solicits trustee contributions? (percent of respondents checking each of the following):										
Chief executive of the institution	37.0	35.7	50.0	39.5	31.3	33.3	7.7	53.8	83.3	27.8
Board chairperson	20.5	7.1	0	28.9	18.8	33.3	30.8	38.5	0	16.7
Other trustees	9.6	21.4	0	5.3	6.3	0	7.7	0	16.7	11.1
Advancement officers	17.8	14.3	0	15.8	25.0	22.2	23.1	7.7	0	22.2
Members of the foundation board	9.6	14.3	50.0	5.3	12.5	11.1	23.1	0	0	11.1
What percentage of total 1985-86 gift support was obtained from each of the following sources?										
Governing board members	2.3	3.9	2.5	1.7	1.8	1.2	1.9	1.1	4.5	4.2
Foundation board members	6.3	6.0	5.0	3.6	11.1	10.4	9.8	4.5	5.5	1.5
Alumni (non-board members)	22.0	17.0	10.0	29.3	12.3	21.7	21.9	25.5	26.3	20.4
Other individual donors	25.1	24.3	5.5	22.3	34.3	25.4	25.0	32.9	15.5	18.8

Bequests	3.5	3.8	0	3.5	2.9	.5	3.1	4.2	1.5	6.8
Corporations	10.4	11.1	14.0	9.4	12.5	18.4	10.4	4.5	11.0	11.4
External foundations	27.3	27.9	54.5	27.5	24.0	22.1	23.9	26.1	23.8	31.9
Other	3.1	6.1	7.0	2.6	1.1	.5	4.0	1.1	12.3	5.0
Approximately what percentage of each of the following groups provided gift support to the institution in 1985–86?										
Voting governing board members	51.6	46.4	32.5	62.3	34.8	38.9	51.6	54.4	54.7	67.6
Emeritus/honorary governing board members	11.1	9.1	11.0	16.6	2.8	7.3	.5	5.6	17.5	34.2
Foundation board members	64.7	57.2	71.7	70.8	56.0	55.4	64.6	55.1	83.3	76.8
What percentage of total 1985–86 gift support was obtained in each of the following forms?										
Cash and other liquid assets	81.6	85.6	100.0	79.4	77.9	84.7	84.8	76.3	90.2	83.3
Pledges	6.2	4.1	0	9.3	5.3	9.7	4.4	6.6	7.5	5.3
Other	8.6	4.5	0	11.6	9.2	3.1	10.5	15.9	6.8	10.7

Appendix B PUBLIC INSTITUTIONS

V. Organization of Capital Campaigns	Total	TYPE OF INSTITUTION				TOTAL 1985-86 OPERATING BUDGET				
		Four Year Multi-Campus	Two Year Multi-Campus	Four Year Single Campus	Two Year Single Campus	Up to $10 million	Over $10 million less than $20 million	Over $20 million less than $50 million	Over $50 million less than $100 million	Over $100 million
Has the institution completed a capital campaign within the last five years?										
Percent replying "yes"	16.7	13.3	0	18.8	18.9	31.3	25.0	5.0	0	32.0
If yes, what was the length of the campaign, in years?	2.8	*	*	3.4	1.5	1.2	1.8	*	*	4.7
Is the institution currently conducting a capital campaign?										
Percent replying "yes"	20.0	15.8	0	31.6	8.7	20.0	6.7	26.3	25.0	23.5
If yes, what is the planned length of the campaign, in years?	4.0	*	*	3.8	*	*	*	2.8	*	*
Was the campaign undertaken to raise:										
Capital funds (for endowment and/or plant)	38.5	14.3	*	28.6	88.9	71.4	50.0	50.0	*	16.7
Operating funds (for current needs)	5.1	0	*	0	0	14.3	0	0	*	8.3
Both capital and operating funds	56.4	85.7	*	71.4	11.1	14.3	50.0	50.0	*	75.0
What is/was the campaign goal? (in thousands of dollars)										
Campaign goal	49561	141029	*	42543	1419	2352	1358	3750	*	90383

* *Fewer than five responses*

Was a special campaign committee established to oversee the campaign?										
Percent replying "yes"	71.8	100.0	*	66.7	55.6	71.4	50.0	66.7	*	83.3
If a special campaign committee was established, how many of its members came from each of the following constituencies?										
The governing board's development committee	1.5	2.1	*	1.6	1.2	1.2	1.7	*	*	2.3
Other governing board members	1.5	2.6	*	1.0	1.2	2.2	0	*	*	1.9
Members of the foundation board	6.1	3.1	*	8.1	3.4	7.0	1.3	*	*	5.4
Faculty	.6	.6	*	.7	.2	1.6	0	*	*	.4
All others	5.4	5.0	*	5.7	7.1	4.0	1.7	*	*	3.9
Did the institution conduct a feasibility study prior to undertaking the campaign?										
Percent replying "yes"	76.9	100.0	*	85.7	33.3	57.1	33.3	83.3	*	100.0
If yes, how many months in advance of the campaign was the study begun?	15.4	16.3	*	15.1	20.0	19.5	6.0	13.8	*	16.7
Did the institution use an outside fund-raising consultant prior to or during the campaign?										
Percent replying "yes"	71.8	85.7	*	81.0	*	*	*	83.3	*	100.0

* *Fewer than five responses.*

V. Organization of Capital Campaigns (continued)	Total	TYPE OF INSTITUTION				TOTAL 1985-86 OPERATING BUDGET				
		Four Year Multi-Campus	Two Year Multi-Campus	Four Year Single Campus	Two Year Single Campus	Up to $10 million	Over $10 million less than $20 million	Over $20 million less than $50 million	Over $50 million less than $100 million	Over $100 million
What four persons or groups were most influential in establishing the "needs list" for the campaign?										
Percent of respondents checking each to the following:										
Campaign committee	28.2	28.6	*	42.9	0	14.3	16.7	50.0	*	33.3
Governing board chair	5.1	14.3	*	4.8	0	0	16.7	0	*	8.3
Executive committee of the governing board	5.1	0	*	4.8	11.1	14.3	0	0	*	0
Development committee of the governing board	2.6	0	*	0	11.1	14.3	0	0	*	0
Other committees of the governing board	2.6	0	*	4.8	0	0	0	0	*	0
Governing board as a whole	25.6	0	*	33.3	33.3	14.3	66.7	16.7	*	33.3
Foundation board chair	5.1	0	*	9.5	0	0	16.7	0	*	0
Foundation board as a whole	46.2	57.1	*	38.1	44.4	28.6	66.7	50.0	*	50.0
Advancement office	61.5	42.9	*	71.4	55.6	42.9	83.3	83.3	*	66.7
Chief executive of the institution	89.7	71.4	*	90.5	100.0	85.7	100.0	66.7	*	100.0
Chief academic officer	41.0	71.4	*	38.1	11.1	28.6	16.7	16.7	*	66.7
Faculty committee	20.5	42.9	*	19.0	0	14.3	0	0	*	33.3

* *Fewer than five responses.*

VI. Capital Campaign Staff	Total	TYPE OF INSTITUTION				TOTAL 1985-86 OPERATING BUDGET				
		Four Year Multi-Campus	Two Year Multi-Campus	Four Year Single Campus	Two Year Single Campus	Up to $10 million	Over $10 million less than $20 million	Over $20 million less than $50 million	Over $50 million less than $100 million	Over $100 million
What was the size of the advancement program staff immediately before the campaign was planned?										
Number of professionals	11.3	23.7	*	11.9	1.1	1.7	2.5	2.0	*	21.1
Number of support staff	8.7	18.9	*	8.9	1.0	2.0	1.8	2.2	*	16.3
What was the size of the advancement program staff during the campaign?										
Number of professionals	15.9	31.4	*	17.3	1.3	2.3	2.7	2.7	*	27.8
Number of support staff	13.7	32.0	*	13.3	1.1	2.4	1.8	3.0	*	25.9

* *Fewer than five responses*

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VII. Volunteer Participation in Campaigns	Total	TYPE OF INSTITUTION				TOTAL 1985-86 OPERATING BUDGET				
		Four Year Multi-Campus	Two Year Multi-Campus	Four Year Single Campus	Two Year Single Campus	Up to $10 million	Over $10 million less than $20 million	Over $20 million less than $50 million	Over $50 million less than $100 million	Over $100 million
Which of the following groups, if any, volunteered in the implementation of the campaign?										
Percent of respondents checking each of the following:										
Members of the governing board	38.1	*	*	44.4	14.3	0	40.0	*	*	62.5
Members of the foundation board	81.0	*	*	77.8	85.7	80.0	80.0	*	*	75.0
Faculty	57.1	*	*	55.6	42.9	40.0	20.0	*	*	87.5
Alumni	71.4	*	*	77.8	57.1	40.0	60.0	*	*	87.5
Students	28.6	*	*	22.2	42.9	20.0	40.0	*	*	25.0
Parents of students	4.8	*	*	0	0	0	0	*	*	12.5
"Friends" of the institution	71.4	*	*	77.8	57.1	80.0	40.0	*	*	75.0
Who solicited campaign gifts from members of the governing board?										
Percent of respondents checking each of the following:										
Chief executive	42.9	*	*	44.4	28.6	20.0	40.0	*	*	50.0
Governing board chair	23.8	*	*	44.4	14.3	0	40.0	*	*	25.0
Other governing board members	28.6	*	*	33.3	14.3	0	40.0	*	*	50.0

* *Fewer than five responses.*

Foundation board chair	33.3	*	*	33.3	14.3	0	40.0	*	*	50.0
Other foundation board members	33.3	*	*	44.4	28.6	20.0	20.0	*	*	50.0
Advancement officers	38.1	*	*	33.3	42.9	60.0	20.0	*	*	37.5
Faculty members	9.5	*	*	22.2	0	0	0	*	*	25.0
Other	4.8	*	*	11.1	0	0	0	*	*	12.5
Who solicited campaign gifts from members of the foundation board?										
Percent of respondents checking each of the following:										
Chief executive	33.3	*	*	33.3	14.3	0	40.0	*	*	37.5
Governing board chair	0	*	*	0	0	0	0	*	*	0
Other governing board members	14.3	*	*	0	14.3	0	20.0	*	*	25.0
Foundation board chair	42.9	*	*	55.6	14.3	0	60.0	*	*	50.0
Other foundation board members	42.9	*	*	33.3	57.1	60.0	60.0	*	*	25.0
Advancement officers	47.6	*	*	44.4	42.9	60.0	60.0	*	*	37.5
Faculty members	9.5	*	*	0	14.3	20.0	20.0	*	*	0
Other	0	*	*	0	0	0	0	*	*	0
What percentage of each of the following groups participated actively in prospect identification for the campaign?										
Members of the governing board	12.0	*	*	16.9	5.7	0	12.0	*	*	22.8

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VII. Volunteer Participation in Campaigns (continued)	Total	TYPE OF INSTITUTION				TOTAL 1985-86 OPERATING BUDGET				
		Four Year Multi-Campus	Two Year Multi-Campus	Four Year Single Campus	Two Year Single Campus	Up to $10 million	Over $10 million less than $20 million	Over $20 million less than $50 million	Over $50 million less than $100 million	Over $100 million
Members of the foundation board	30.3	*	*	15.3	32.7	36.8	15.6	*	*	39.4
Did the advancement program staff work with participating governing and/or foundation board members in prospect solicitation?										
Percent replying "yes"	81.0	*	*	77.8	85.7	100.0	100.0	*	*	75.0
Did the advancement program staff work with participating governing board and/or foundation board members in closing?										
Percent replying "yes"	76.2	*	*	77.8	71.4	100.0	80.0	*	*	75.0
Did the chief executive and/or another member of the institution's staff accompany governing and/or foundation board members during cultivation and closing?										
Percent replying "yes"	47.6	*	*	44.4	28.6	20.0	80.0	*	*	50.0
Percent replying "sometimes"	38.1	*	*	44.4	57.1	80.0	20.0	*	*	25.0

* *Fewer than five responses*

VIII. The "Quiet Period"	Total	TYPE OF INSTITUTION				TOTAL 1985-86 OPERATING BUDGET				
		Four Year Multi-Campus	Two Year Multi-Campus	Four Year Single Campus	Two Year Single Campus	Up to $10 million	Over $10 million less than $20 million	Over $20 million less than $50 million	Over $50 million less than $100 million	Over $100 million
What was the length, in months, of the "quiet period" between the approval of the campaign and its announcement to the public?										
Length of quiet period (in months)	10.5	*	*	14.3	2.5	2.4	*	*	*	21.4
What percentage of the total campaign goal was set to be raised during the "quiet period?"										
Percentage set to be raised	38.4	*	*	33.8	30.8	*	*	*	*	36.3
What percentage of the campaign goal was actually raised during the "quiet period?"										
Percentage actually raised	38.1	*	*	36.9	27.2	*	*	*	*	36.0
What percentage of the amount raised during the "quiet period" was contributed by:										
Members of the governing board	4.4	*	*	5.8	4.0	*	*	*	*	3.0
Members of the foundation board	16.1	*	*	16.4	18.2	*	*	*	*	12.6

* *Fewer than five responses.*

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IX. Campaign Expenditures and Receipts	Total	TYPE OF INSTITUTION				TOTAL 1985-86 OPERATING BUDGET				
		Four Year Multi-Campus	Two Year Multi-Campus	Four Year Single Campus	Two Year Single Campus	* Up to $10 million	Over $10 million less than $20 million	Over $20 million less than $50 million	Over $50 million less than $100 million	Over $100 million
What was the total budget for the campaign? (in dollars)										
Total budget	540018	*	*	523668	*	*	*	*	*	*
What did the campaign actually cost?										
Campaign cost	1331863	*	*	2023611	*	*	*	*	*	2423600
How much was raised during the entire campaign? (in thousands of dollars)										
Amount raised	41606	*	*	28781	393	657	*	*	*	105124
What percentage of each of the following groups made campaign contributions?										
Members of the governing board	62 3	*	*	68 6	49 8	22 8	*	*	*	75 7
Members of the foundation board	65 7	*	*	61 4	66 2	41 4	*	*	*	73 3
What percentage of total campaign receipts was obtained from each of the following sources?										
Governing board members	5 0	*	*	8 0	3 0	6	*	*	*	3 7
Foundation board members	10 8	*	*	12 0	9 8	8 8	*	*	*	3 2

* *Fewer than five responses.*

Alumni (non-board members)	8.1	*	*	9.9	3.5	4.2	*	*	*	12.7
Other individual donors	22.6	*	*	14.0	30.5	32.6	*	*	*	17.8
Bequests	5.7	*	*	3.0	3.5	.2	*	*	*	12.7
Corporations	30.5	*	*	39.7	23.2	24.8	*	*	*	38.5
External Foundations	12.1	*	*	12.3	14.8	15.8	*	*	*	8.7
Other	4.9	*	*	.6	11.7	13.0	*	*	*	2.3
What percentage of total campaign receipts was obtained in each of the following forms?										
Cash and other liquid assets	62.3	*	*	47.6	83.0	*	*	*	*	45.7
Pledges	28.5	*	*	44.7	15.3	*	*	*	*	31.5
Gifts in kind	3.7	*	*	4.0	1.7	*	*	*	*	8.2
Deferred giving	4.7	*	*	3.7		*	*	*	*	12.5

* *Fewer than five responses.*

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